REPUBLIC OF LITHUANIA

NATIONAL ACTION PLAN
AGAINST POVERTY AND SOCIAL EXCLUSION
IN 2004-2006
Foreword

At the European Council in Lisbon in 2000, the European Union set itself a goal to become “the most competitive and dynamic knowledge-based economy in the world capable of sustainable economic growth with more and better jobs and greater social cohesion by 2010. Essential reduction of poverty and social exclusion was listed among the core objectives at this meeting. Fight against poverty was launched long before Lithuania’s integration into the European Union. In 2000 Lithuania has developed a Strategy on Poverty Reduction, which was used for the elaboration and approval of Programme on Implementation of Poverty Reduction Strategy. The objective of Programme on Implementation of Poverty Reduction Strategy in 2002-2004 is to accomplish the key provisions of Poverty Reduction Strategy, to improve the position of poor giving preference for active poverty reduction measures accompanied by the improvement and implementation of passive poverty reduction measures, provision of monetary assistance for residents below the poverty line, to combine the efforts and activities of public and municipal institutions, non-governmental organizations and citizens related with the reduction of poverty.

Lithuania joined the Community process of reduction of poverty and social exclusion in 2002 with the signing of memorandum of agreement with the European Commission. Following the document and the provisions of Accession Partnership, the government of the Republic of Lithuania backed by the EC directorate for employment, labour and social affairs worked out the Joint Inclusion Memorandum, which established the main challenges in fight against poverty and social exclusion and outlined the main measures of that policy. By signing this document, Lithuania pledged to initiate the inclusion of joint EU objectives for fight against poverty and social exclusion into the national policy and defined the main spheres of policy, which should be monitored and controlled in future. The progress achieved while implementing this policy will be evaluated during the general process of social inclusion in the EU, which targets to maintain significant influence to the drive to eliminate poverty in Europe by 2010.

By signing the Joint Inclusion Memorandum, Lithuania pledged to elaborate a National Action Plan Against Poverty and Social Exclusion (hereinafter - NAP). The elimination of poverty and social exclusion is largely seen as a problem of political will. In this NAP, Lithuania outlines its obligations to initiate all-inclusive activities that will cover numerous spheres (employment, education, healthcare, social security, etc.) and will target the improvement in the position of the weakest groups of population, the enhancement of their possibilities and reduction of their poverty and social exclusion, consideration of differences in the position of women and men, their problems and needs. Assessing the current situation and the possibilities, Lithuania does not expect to eliminate these problems completely in short term, however, the country expects to achieve a significant progress by 2010, backed by joint and better coordinated efforts of public and non-governmental organizations, social partners and socially excluded groups.

The plan outlines the main trends and objectives, which Lithuania will aspire for in the long-term and short-term perspective. Lithuania has pledged to initiate the measures to coordinate the policy and actions designated for fight with poverty and reduction of social exclusion. With that end in view, the country intends to consider the objectives of social inclusion while implementing the national policy in respective spheres and to strive for effective use of national funds and EU structural funds for the support of aspirations for these objectives. The country will pursue wide-ranging inclusion of all civil society into these processes. Particular attention will be given for cooperation with social partners and non-governmental organizations during all stages of activities, starting from the elaboration and improvement of NAP, and the stage of its implementation in particular. Inclusion of separate regions, local authorities into these processes and proper coordination of all activities will become the crucial factor of success.

The first chapter of NAP outlines the main trends observed in the development of Lithuania’s economy, provides a short insight into economic development and demographic situation.
Further on, the chapter deals with the main short-term and long-term risk factors and singles out the social groups in danger of poverty and social exclusion. Moreover, the chapter raises the core objectives for individual aspects, which show further ways to solve the problem.

The second chapter establishes the main trends, long-term and short-term objectives. The main challenge is to overcome extreme poverty and make a significant reduction in relative poverty and social exclusion during the decade. The chapter outlines long-term objectives, including the key ones, which target to provide individuals within the social exclusion groups with the required material support or social services, and possibilities to acquire proper education, gain access to healthcare services of proper quality, have the housing compliant with public standards, healthy conditions for work, a possibility to choose and have influence on the core decisions in life. Moreover, the chapter outlines priority trends for the activities until 2006.

The third chapter defines political measures, which Lithuania intends to implement until 2006. The chapter outlines political measures that should ensure the assistance for the most vulnerable persons, boost the employment and improve the possibilities of whole population to make use of resources, rights, goods and services, helping to speed up the integration of the most vulnerable groups into the society. Particular attention is given to the prevention of social exclusion risk, reducing the possibilities for several population groups to fall below the poverty line and social exclusion.

The fourth chapter provides a description of process on elaboration of NAP. The process was organized and coordinated by the Ministry of Social Security and Labour of the Republic of Lithuania. The task group charged with the elaboration work comprised representatives of ministries and departments of the Republic of Lithuania, social partners, independent experts and scientists. The task group was established in a drive to draw the problem of poverty and social exclusion to the attention of public institutions, both involved in the sphere of social security and other institutions that tended to pay less attention to the problem, and to combine and coordinate the efforts on fight against poverty and social exclusion exerted by the government, local authorities, social partners and non-governmental sector institutions.

The plan has been coordinated with ministries, departments and representatives of social partners, and has gained the support at the ministerial-level meeting.
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1. CORE TRENDS AND OBJECTIVES

1.1. Economic Development

Stable economic development comprises one of the essential preconditions for successful fight against poverty and social exclusion. In recent years Lithuania’s economic development has been particularly strong, and these years may go down in history as a period of “solid economic growth, stable currency and healthy public finances, low budget deficit and successful structural reforms”.

In 1999 the country’s gross domestic product (hereinafter – GDP) shrank by almost 2 percent, however, later the growth revived to reach 9 percent in 2003 (see Appendix, Table 1). The growth of gross domestic product was sped up by a nearly 20 percent annual surge in exports of services and goods in 2001 and 2002. However, Lithuania lags behind the EU-15 in terms of GDP per capita as in Lithuania GDP per capita comprises 46 percent of EU-25 and approximately 44 percent of EU-15 (see Appendix, Table 2). While upgrading the economy and making use of financial and technical assistance granted by the EU, Lithuania expects to maintain the real GDP growth rate above 6 percent until 2007 (see Appendix, Table 3). Fast-track economic development would stimulate the rise in average living standards and reduction of poverty and social exclusion.

Successful economic development of recent years has overshadowed dramatic structural changes of previous decade, which had a significant impact on the employment and living standards. After a period of major changes, the structure of economic sectors has stabilized eventually. In 2003 Lithuania’s service sector generated 62 percent of gross value added (hereinafter - GVA), while the share of industry made up 25 percent, agriculture – 6.1 percent, and construction – 6.8 percent. Service sector employs 54 percent of total labour force, whereas manufacturing covered 21 percent, agriculture – 17.9 percent of the total. Agricultural labour force as a portion of total still far exceeds the EU average, however, to compete on international level, the sector shall boost productivity, which will affect the employment.1

The country still faces the problem of shadow economic activities. The non-observed economy survey conducted by the Department of Statistics for the period of 2002–2003 has shown that shadow economy ranged from 15.2 to 18.9 percent of total GDP in 2002, while the number of unregistered wage earners totalled 104,000. A significant part of these workers are employed at construction and manufacturing (23 percent each), agriculture, hunting and forestry companies (20 percent).2 Shadow economy provides its participants with a source of living; however, it deprives the state of revenues and fails to contribute to the financing of social programmes, whereas unregistered labour force is not provided with social insurance coverage. Contradiction of shadow economy to justice is no less important.

Lithuania’s monetary policy is built on the currency board model, which enables the country to maintain low inflation rate. In 2002 the consumer price index rose by 0.3 percent, whereas in 2003 consumer prices declined by 1.2 percent. In 1999-2001 the rise in consumer prices was restricted by a decline in demand, whereas the decline in inflationary pressures in 2002 and the deflation in 2003 were the result of lower consumer prices in agricultural sector, a decline in producer prices, harsh competition among retail chains, a decrease in import prices and a rise in litas (national currency) exchange rate.

Public sector deficit, which plunged from 5.6 percent3 in 1999 to 1.5 percent of GDP in 2002, climbed to 1.7 percent of GDP in 2003.4 Meanwhile, the aggregate public debt moved lower, to 21.5 percent of GDP as of late 2003.5 Budget equilibrium was achieved via the curbing of public expenditures; meanwhile, public tax revenues (without social security contributions) declined from 23.4 percent of GDP to 17.4 percent in 2002. Domestic taxation system stands out with
differences between labour force and capital taxation (the rates are 33 percent and 15 percent respectively) and tax breaks.\textsuperscript{6}

In recent years the authorities turned to tax policy measures targeting the reduction of taxpayer’s burden. With the Law on Personal Income Tax of the Republic of Lithuania coming into effect, the non-taxable income amount (NTA) was raised to 290 litas, starting from 1 January 2003. Parents raising one or two children aged under 18 are eligible for an additional non-taxable income amount. Residents may regain up to 25 percent of personal income tax paid on housing loan interest, life insurance and voluntary pension insurance contributions, and studies. To encourage more active participation in charity and assistance efforts among domestic population, the authorities may transfer up to 2 percent of total income tax amount for charity and assistance at a respective request of taxpayer. Moreover, in 2003 the country abandoned a requirement that prescribed the establishment of economic entity to conduct any business activities, thus making a contribution into the development of small-scale business.

Improvements in overall business environment are pursued with numerous measures, including the liberalization of regulations governing economic activities, improvement of investment climate, rationalization of procedures for the registration and liquidation of companies. Lithuania’s economy has been developing on fundamental changes, including open economy, free movement of capital, wide-ranging private sector, solid competition. A major role in the modernization of economy is played by foreign investments.

**Objective:** while preserving macroeconomic stability, to ensure favourable conditions for long-term economic development, which is a prerequisite for the reduction of social exclusion.

### 1.2. Demographic Situation

Amid a decline (except for 2003) in birth rate (see Appendix, Table 4) and large scale of emigration, Lithuania’s population declined by 5.8 percent, compared with 1989 census data, to approximately 3.45 million as of 2003. Women comprise 53.3 percent of the total. Urban population cover 66.8 percent of the total (see Appendix, Table 5). Residents of working age comprised the major part of urban population, at approximately 62 percent, whereas in rural areas people of working age accounted for about 54 percent of the total. Accordingly, children and elderly people comprise larger shares of rural population.

Total birth rate\textsuperscript{7} in Lithuania fell from 2.03 in 1990 to 1.24\textsuperscript{8} in 2002. In 2003 the rate inched higher to 1.3, falling short of EU-15 average, at 1.53.\textsuperscript{9} On the other hand, the rate of children born out of wedlock surged to 30 percent, from 7 percent, in 1990-2003.

About 10,000-20,000 people opt for emigration each year in search for a job and higher wages. Prior to Lithuania’s accession to the EU, the major part of emigrant workers departed for work abroad illegally, depriving themselves of social insurance coverage. Presently these individuals tend to legalize and become full-fledged participants of labour market in certain EU countries.

The rates of individuals aged 65 and above and children under 15 increased in the total population structure (see Table 6 of Appendix 1). The dependence rate of elderly people\textsuperscript{10} grew from 19 percent in 1996 to 22 percent in 2003. However, the index still stands below the average in EU-15, at 24 percent.\textsuperscript{11}

According to the data of 2001 census, single individuals aged over 65 totalled approximately 145,000, covering almost 30 percent of the total population in this age group.
Objective: to take measures for slowing of negative demographic trends and mitigation of their negative sequels.

1.3. Labour Market

Changes in population employment have been uneven since the restoration of independence. In the beginning the employment rate was high, and later, amid a rise in unemployment, the rate moved lower. In 1995 unemployment hit the record high of 17.1 percent, while the employment rate stood at 55.2 percent. Later on, employment indices tended to improve until 1999, when Lithuania’s economy was hard hit by Russia’s crisis. Although the growth of domestic economy revived in a year’s period, the unemployment level moved to rise further. Meanwhile, in 2002 Lithuania’s labour market witnessed a breakthrough as the unemployment rate plunged to 13.8 percent. Still, compared with the EU-15 average (7.5 percent), the rate remained too high. The employment rate improved slightly as well, to 59.6 percent in the population group aged 15–64. Favourable trends continued in 2003 as the unemployment rate fell to 12.4 percent, and employment rose to 60.9 percent (see Appendix, Tables 7-8). In 2003, the country had 1,438,000 employed residents, which is the largest figure in a five-year period.

In 2003 one in two workers in rural areas was employed in the agricultural sector, which totalled 222,500 or 51 percent of all rural employment. Agriculture in rural districts absorbs the surplus of labour force, which occurs on the back of shortage of jobs in other economic sectors. The situation creates the prerequisites necessary for the existence of small subsistence farming, which is the only source of food and living for the majority of rural residents. This type of farming fails to secure full employment and manufacturing efficiency for farmers and their family members, and sufficient income for the family. Structural changes in the agricultural sector are expected to bring about a decline in the number of workers employed in the agricultural sector, and a rise in productivity and income.

The level of population economic activity, which tended to decline in recent years, grew slightly in 2003 (see Appendix, Table 7). Compared with the EU-15 average, Lithuania lags behind in terms of employment level; however, the level of activity in Lithuania is slightly higher (see Table 9 of Appendix 1).

Contrary to the EU-15, male unemployment exceeds that among women (in 2003 male unemployment totalled 12.7 percent, female – 12.2 percent). Meanwhile, similar to the European Union, males stand out with greater employment and economic activity (see Appendix, Tables 7 and 9). Living conditions for women are worsened by the following several factors related with the labour market: executive positions in all economic activities are mostly held by men, who are also engaged in economic activities offering better remuneration. As a result, the gross average wages of women comprise approximately 81.2 percent of men’s average (in 2002). Possibilities to coordinate family and professional life are aggravated by underdeveloped flexible forms of work for both men and women.

Similar to the EU-15, Lithuania faces the problem of youth unemployment, which exceeds 20 percent in the country, whereas in the EU-15 the rate is approximately 15 percent (see Appendix 1, Table 9). Labour force surveys evidence that, after a decline in 2002 (to 23 percent), youth unemployment rose to nearly 25 percent in 2003 despite a slide in the average unemployment rate (see Appendix 1, Table 8).

Although, compared with 2001, long-term unemployment rate declined, the general scale remains very high. Labour force surveys evidence that in 2003 about 49 percent of all unemployed had no job for a year or longer (102,300 jobless), whereas as many as 32 percent could not find a job for two years or more (65,700 jobless). Long-term unemployment is widespread both among men and women. Still, long-term female jobseekers outnumber males.
On the other hand, long-term unemployment of particularly long duration (2 years or longer) is slightly higher among males. By age groups, the risk of particularly long-term unemployment is the highest among unemployed aged 50 and above. In 2003 long-term jobseekers in this age group comprised approximately 62 percent (long-term jobseekers without a job for two years or longer accounted for approximately 44 percent) (see Appendix, Table 10).

The level of unemployment, long-term and youth in particular, is closely related with low level of education, shortage of skills and abilities (see Appendix, Table 11). Approximately 4/5 of jobseekers registered at the labour exchange have no qualification or their qualification is too low or unrelated with current needs of labour market. A half of young registered jobseekers have no qualification at all. Organization of professional training for young jobseekers is aggravated by widespread absence of basic education in this social group.13

Current system of professional training is underdeveloped and unable to ensure accessibility and continuity of general professional training. Analysts note disproportions between the professional training, the need in improvement of professional skills and possibilities to meet the need, uneven accessibility of professional information, imperfect system of vocational guidance and consulting, insufficient attention to individuals with special needs and vulnerable persons (disabled, youth, ex-convicts, language/ethnic minorities, persons of pre-pension age, long-term jobseekers). Particular attention should be given for professional training and offering of possibilities to choose professions demanded on the labour market for the children deprived of parental care, living at children ward houses funded by a local authority or the state or at special boarding schools. Such a situation poses obstacles for adjustment to the needs of the market to the individuals in pursuit of permanent employment, in particular to those in danger of social exclusion.

Although the employers are bound by quotas established for the employment of disabled of the 1st and the 2nd groups, their employment, similar to the employment of former prisoners who are eligible for additional support on the labour market14,1 is a rather challenging task owing to unwillingness of employers to employ these persons or absence of stimuli to do that. Moreover, the country still lacks an effective system for rehabilitation of these individuals.

Average rate of unemployment and the employment of several group of residents mentioned above still remains an important problem in Lithuania.

Remuneration. The minimum monthly wages in Lithuania, currently at 500 litas (from 1 May 2004) are established by secondary legislation, i.e., resolutions of Government of the Republic of Lithuania. In October 2002, the minimum gross wage, at 430 litas, was paid to 65,500 (8.8 percent) of wage earners, excluding part-time workers. In October 2003, the minimum gross wage, at 450 litas or 430 litas for certain professional categories, was paid to 79,900 (10.2 percent) of full-timers. The average monthly net wage, excluding sole proprietorships, rose by 6.5 percent in 2003, in year-on-year terms.

Objective: to pursue faster expansion of active labour market measures via application thereof for the population groups that are the most vulnerable on the labour market in the first place.

1.4. Education

Education plays a large role in right against poverty and social exclusion. The data of general census of 2001 evidence that the level of literacy among Lithuania’s residents aged 10 and above made up 99.7 percent. The major challenge is posed by illiteracy of Roma people, as
approximately 31 percent of representatives of that ethnic minority are illiterate. Quite a significant part (about 17 percent) of Lithuania’s residents (aged 15 and above) has elementary or lower level education. The majority of individuals in that group are aged over 55.

The total number of students and schoolchildren rose by almost 20 percent in Lithuania from 1995/1996 till 2002/2003. The rise in the number of students at higher education institutions was particularly strong. Almost all graduates of basic school (99.7 percent in 2001) and the majority of graduates of secondary school (84 percent in 2002) opted for further education. The prospective duration of studies for the group aged 7-24 rose to 14.6 years in 2002, from 12.7 years in 1996. The prospective duration of studies among girls, at 15.2 years, exceeds that of boys, at 14.3 years. In 2002/2003, females accounted for 51 percent of all students at education establishments. The average level of education among women exceeds that of men in Lithuania.

However, despite positive changes, numerous problems still remain. In 1990-2000, the number of pre-schooling establishments and the number of attending children shrank almost twofold owing to a decline in birth rate and the policy implemented at that period. The decline was even more significant in rural regions, some of which witnessed the disappearance of those establishments brought about by a decrease in demand after the loss of job by mothers or fathers (see Appendix, Table 12). Expenses on upbringing at pre-schooling establishments are subsidies by the state, which may lead to a conclusion that families of children attending those establishments obtain material support exceeding that of families with not attending children.

Moreover, closure of secondary schools at rural regions, which is the result of insufficient number of children, is a matter of great concern as well. Moreover, rural regions are merely provided with 8 special schools (59 in cities), 1 youth school (24 in cities) and no schools for adults at all (27 in cities). Any rural resident pursuing further education is forced to move to another education establishment and another place of residence, which often leads to a number of social and economic problems. The arrangement of the network of labour market professional training centres is irrational as well.

Education establishments organize their activities with consideration of possibilities of children entitled for social support, offering them free catering and priorities in provision with textbooks, participation in out-of-school activities, which are offered for those children free of charge, and particular attention to social environment of those children. About 27.4 percent of all schoolchildren (158,000) were provided with free catering in 2003. Still, the majority of poor families find it burdensome to purchase at least some study means required for their children at school.

Schoolchildren with special needs, approximately 61 thousand in 2003/2004, comprised almost 11 percent of the total number of schoolchildren (565.6 thou.). In 1995/1996 this rate stood about 5 percent. In Western countries, the category of children with special needs may cover up to 15 percent or even more children. So far, secondary schools are not fully adapted to provide special education services that would meet all children needs, as the establishments are short of qualified specialists, inventory, special compensation and teaching means.

The major problem faced by youth professional training system is insufficient accessibility of professional information, guidance and consulting (for rural schoolchildren in particular). Qualified consultations are provided to merely 20 percent of youth. Moreover, the link between professional training and the needs of the labour market is not too strong. This shortcoming is a result of weak ties between education institutions and employers, insufficient participation of employers in the development of special programmes, insufficient investments into the improvements of school infrastructure, equipment and teaching methods, training for teachers. Some children coming from low-income families are deprived of professional education amid a shortage of funds. This is a matter of great concern as far as the professional training of children at ward houses and children with special needs at special boarding schools is concerned.
Moreover, the professional training of labour market provides insufficient coverage for the disabled and ex-convicts.

The number of elder people opting to resume studies on the back of changes on the labour market is on the rise. In 2000 the average age of students at the 1st level of university studies made up 22.3 years, whereas in 2003 the average rose to 23.5 years. Similar trends are observed at all levels of studies. Compared with 2000, in autumn 2003 the number of students’ aged 40 and above and striving for bachelor’s degree surged 4 times. Two times rise was observed in the number of students of that age group aspiring for master’s degree or opting for analogous studies. The number of students opting to obtain another higher education diploma surged from 557 in 2000 to 950 in 2003.

The popularity of distance studies has been on the rise in Lithuania of lately. According to the data provided by the Department of Statistics, in 2002/2003 four colleges and nine universities operated 37 distance studies centres or classes, which had 7,537 students on either full or partial programme of studies, 261 teachers on courses for the improvement of professional skills and 2,378 household workers. The system of life-long studying is underdeveloped in Lithuania so far. In 2002, about 4.5 percent of residents of working age improved their professional skills at various training courses regulated by the state, i.e., twice less, compared with the EU-15.24

The problems of school non-attendance, repetition of course of studies for the second consecutive year, school dropout, crimes committed by juvenile offenders and drug use, all of which augment the risk of social exclusion, continue to be a matter of great concern. According to the 2001 census data, 1.1 percent of children aged 7-16 did not attend school as of April 2001. The major part of children not attending school comprises adolescents aged 13-16. The annual course of studies is repeated by approximately 0.6 percent of schoolchildren, however, their number shrank by half in a five-year period.25 Compared with the average for the EU-15 (18.9 percent - the data of Eurostat for 2003), the rate of dropout from the system of education in Lithuania is not large26 (14.3 percent). Still, the index is much lower for certain countries of similar cultural and economic level (7.6 percent in Poland, 5 percent in Slovakia and 5.5 percent in the Czech Republic).27 Approximately one in ten students of professional, vocational and higher schools drops out each year (see Appendix, Table 13). The data on the scale of return for studies are not available yet.28

In 2001, the ratio of graduation from basic school in Lithuania (a part of schoolchildren who graduate from the basic school, compared with the number of those who started learning in the 1st grade) made up 0.77, whereas in the EU countries the average was 0.9. The results of sociological survey29 on the trends and reasons of school non-attendance and poor attendance lead to the conclusion that teachers do not consider the dropouts as a major problem. The possibilities of schools to help those children come back to school are scarce. As much as 66 percent of teachers polled could not spell out the ways to attract children that did not attend school before. Merely 25 percent of teachers labelled themselves competent in the psychological sphere; meanwhile, the majority of tutors lack competences in work with children with special needs or risk group children.

Compared with previous years, the provision of schools with hardware and software has improved, however, the differences between municipalities still remain, ranging from 1 PC per 11.1 schoolchildren in the municipality of Neringa to 1 PC per 36.8 schoolchildren in Klaipeda (the national average is 27.4). The data of survey concerning the use of information technologies by households have shown that 20 percent of all households had a PC at home (included borrowed ones) in the third quarter of 2003. The findings evidence that residents do not have enough possibilities to acquire the skills required for the adjustment to the ever-changing labour market and environment requirements.

Introduction of e-government projects requires the digital literacy skills and abilities to absorb information both from public administration staff and the users of e-government services. In
In most cases, the information on services of e-government institutions targets the needs of the user with higher education and sufficient digital literacy skills. An advance in introduction of e-government essentially outrides all communities and locations dominated by residents with low education, income and motivation because the public services provided over the net tend to cover the ever growing number of possibilities in the spheres of education, training, employment, accommodation, social security, and healthcare. Services provided by public institutions and information at Websites is not well accessible and understandable for residents with lower education level. Accordingly, the emerging practice to offer free Internet services at public Internet centres cannot boost the possibilities of communities to use e-government services.

**Objective:** to pursue further reforming of education system and to boost the accessibility and attractiveness of education establishments in a drive for higher quality of education, to ensure sufficiency of these establishments for all population groups with focus on children and youth from low-income and socially excluded families.

### 1.5. Culture

The country’s shift to market economy marked an onset of significant rise in prices of cultural services, which curbed the access to some services for some residents, rural in particular. According to the data provided by the Department of Statistics, household expenses on rest and leisure, as a share of total expenditures, tended to rise; however, a significant difference between the scale of participation and use of culture among urban and rural residents still remained (see Appendix, Table 14). Amid a trend of rural ageing, the number of community members eager to participate in artistic activities tends to decline.

A number of books important for culture are hardly accessible for people, in rural regions in particular, owing to rather significant publishing costs. A rise in prices of publications and other information means predetermines a growth in the number of readers at state libraries (26,733,831 visits in 2003, i.e., a rise of 917,651 visits from 2002), which turns the libraries into an important source of information, for Lithuania’s residents with low income in particular.

**Objective:** to boost the openness, accessibility and attractiveness of cultural establishments, in particular for low-income and socially excluded residents.

### 1.6. Healthcare

Infant mortality rate, which is a manifestation of healthcare quality, declined approximately 1.5 times from 1995, to 6.8 cases per 1,000 of live-birth infants in 2003 (in 1998-2000 the index for Central and Eastern European countries totalled 10.9, for the EU-15 – 4.9), however, the infant mortality may even reach 18 cases per 1,000 of live-birth infants in certain Lithuania’s regions and towns. The figures may lead to the conclusion that the situation is predetermined by unfavourable social and economic conditions and/or insufficient medical assistance.

A prospective rise in longevity is manifested by improvements in living standards and healthcare. However, the significant difference between men and women in this respect still prevails as the average longevity among men is 66 years, and among women - 78 years (2002). In the EU the average rates are 75 years for men and 81 years for women (see Appendix, Table 15). Women account for 65.6 percent of population aged 65 and above. On the other hand, a rise in longevity signifies a growth in demand in social and healthcare services among elderly.
Right to healthcare is based on insurance, while the basic healthcare services are provided for the whole population. Thus, socially excluded and poor persons have access to certain healthcare services as well. Still, amid a shortage of funds, some individuals, single parents with children in particular, have to give up certain services, including dentistry (17.5 percent), tooth replacement (13.4 percent), examination by good specialist (15 percent).³⁴ Even expenses on medicines entitled for partial reimbursement are hardly bearable for individuals with low income.

The problem of tuberculosis, although on decline, still poses a major challenge for Lithuania (see Appendix 1, Table 16). Approximately 70 percent of new tuberculosis cases registered in Lithuania are unemployed individuals. The majority of those people lead asocial life, abuse alcohol. The number of HIV infected persons rises fast with the majority of new cases being the individuals used drugs intravenously. According to the data provided by AIDS Centre, a total of 869 HIV infected persons were registered in 2004, including 785 men and 84 women. As many as 699 were infected while using drugs. AIDS has been diagnosed for 69 persons, while the disease has already claimed 67 victims in the country.

Deterioration in health of children, schoolchildren in particular, is a matter of grave concern. Healthy children without any chronic diseases, defects or functional disorders, and with rare cases of acute diseases account for 43.5 percent of pre-checked children (in 1991 – 58.6 percent). While providing medical assistance, the employees of healthcare establishments are often the first to meet socially excluded individuals, however, owing to insufficient coordination of medical and social assistance establishments and their staff, the use of this source of primary information about the individuals living in particularly grave circumstances is not effective enough.³⁵

**Objective:** to strengthen the prevention of addiction diseases, preventive supervision of children’s health and to ensure accessibility of healthcare for all population groups with no exceptions.

### 1.7. Living Conditions, Income Disparity and Poverty

Average living standards, which tended to lag far behind the country’s economic growth rate, rose stronger in 2003 (see Appendix 1, Table 17). The average disposable income grew by 8.4 percent in 2003, in year-on-year terms.³⁶ Consumer prices shed 1.2 percent within a year, accordingly, real income rose by 9.8 percent. In 2003, household consumer expenses grew by 10 percent, compared with adjusted consumer expenditures in 2002.³⁷

Disposable income of rural residents stands below the urban average by approximately one-third (see Appendix 1, Table 17). Moreover, the structure of income of urban and rural households differs considerably as well. Income from work comprises 71 percent of disposable income of urban household, whereas for rural households the rate is 63 percent. Social benefits accounted for 21 percent of disposable income of urban residents and 32 percent for rural residents.

The lowest disposable income on benefits, scholarships, etc., is generated by rural households (about 286 litas) and farmer households (approximately 330 litas) (see Appendix, Table 18). Moreover, income derived from sustenance farming accounts for approximately a half of total income of the majority of farmer households. These people derive sustenance from their farms; however, they face an acute shortage of monetary resources for the purchase of prerequisite goods. These individuals comprise one of the most deprived social groups. Low income of workers of agricultural companies is largely predetermined by part-time work.

The composition of households produces a major effect on the level and structure of disposable income. Single persons and married couples without children derive the largest disposable income, meanwhile, the disposable income is the smallest among the so-called other households.
with children, which are composed of parents with underage children and children of full age, households comprised of several generations, etc., single parent households with underage children (see Appendix, Table 19).

Low standard of living often creates preconditions for the rise in crimes and drinking, the number of problem families and other social problems.

**Housing.** Based on the data of 2001 general census of residents and housing in the Republic of Lithuania, Lithuania lags far behind the EU old-timers both in terms of rooms per capita (0.98 and 1.89 rooms respectively), and in terms of accommodation quality. About 5 percent of households are deprived of any convenience (bath and shower, lavatory, hot water) in the EU-15, whereas in Lithuania as much as 31 percent of individuals households (mostly in rural regions) have no hot water, and 28 percent have no lavatory with drain water, which produces a detrimental effect on health and efficiency.

On the other hands, low-income families living in apartments with all conveniences are not capable of settling payments for utility services. The state offers a partial reimbursement for these costs, however, the position of individuals burdened with debts for utility services is particularly grave as, alongside the debt, they face additional hurdles in making use of state support for the accommodation upkeep.

Insufficient stocks of housing of municipalities, which may be offered to residents unable to secure the accommodation independently, poses a great challenge. As of late 2003, the lists of applicants for the rent of social housing showed 8,818 individuals (families), including 36.5 percent of young families and 16.3 percent of disabled persons (families). The rent of municipal housing was offered to meagre 562 individuals (families) in 2003. Moreover, the prices of rent for certain groups, pensioners and single parents with children in particular, are a too significant burden. Analysts observe a correlation between the living at rented housing and relatively poor households.

Over 100,000 families were included in the waiting list of applicants for state support for the purchase of accommodation in 2002, which evidence that the problem of housing poses a particular challenge as its solution requires major financial resources, both national budget and private. In 2003, 1,284 individuals (families) signed loan agreements with a combined value of 80.9 million litas following the provisions of new law of the Republic of Lithuania on state support for the purchase and rent of accommodation.

Persons without place of residents (homeless) comprise one of the groups of individuals living in poverty and social exclusion. The general census of 2001 registered 1,250 homeless (including 940 men). The majority of homeless people are concentrated at regions with larger cities. In most cases, homeless individuals are aged 36-60. The data of local authorities evidence that the number of homeless in Lithuania is larger, at 2,150. The number of beds at shelter homes is not sufficient.

**Income disparity** in Lithuania exceeds the EU average slightly and is similar to the respective indices in other Baltic countries. The disparity is evidenced by the S80/S20 quintile share ratio (the ratio between the upper one-fifth (20 percent) of income and the lower one-fifth (20 percent) as distributed by equivalent income and Gini coefficient (see Appendix, Chart 1). In 2003, the Gini coefficient in Lithuania made up 29 percent, whereas the ratio between marginal S80/S20 quintile shares stood at 4.5 (see Appendix, Table 20).

The level of **poverty** risk in Lithuania (the share of residents in the households with the aggregate equivalent household income below 60 percent of country’s equivalent income median) stood at 15 percent, and, excluding social benefits, at 23 percent in 2003 (see Appendix, Table 20).

The majority of destitute people are found among the individuals living on benefits, scholarships, savings; families with three or more children; households with the breadwinner having a 8-9
years’ education level; farmers; rural residents; pensioners; single parents with underage children. The poverty level of those individuals is subject to major fluctuations each year, which may be the result of insignificant representation of those groups in the survey sampling (see Appendix, Table 21). Relatively worse situation of elder people is evidenced by the data on poverty level by the age of household master. Among the households with the breadwinner aged 60 and above, the level of poverty is 19.7 percent (see Appendix, Table 22). Moreover, presence of jobseekers within a household produces a major impact on its poverty as well. The level of poverty among households without jobless totals 14 percent, whereas the figure for households with one jobseeker rises to 27.1 percent, with two or more jobless – to 48 percent (see Appendix, Table 23).

The level of poverty is also significant among households distinguished by more than one poverty-related feature, e.g., farmers with small farms and several children.

**Objective: to pursue significant intensification of fight against poverty and reduction of income gaps.**

### 1.8. Regional Differences

Although geographically uniform distribution of cities and towns in Lithuania creates the prerequisites necessary for continuous regional division of economy, the country is distinguished with significant regional differences both in terms of GDP and in terms of foreign direct investments per capita. For example, Vilnius region accounts for one-third of country’s GDP, Kaunas region – for one-fifth of economy. The regions of Taurage and Marijampole account for the least parts in the total GDP structure. In 1997-2002 the difference between the well-developed Vilnius region and underdeveloped Taurage region surged 1.25-fold in terms of GDP per capita.

In 2005 Lithuania will shut down the first unit of Ignalina nuclear power plant (hereinafter – INPP), whereas the decommissioning of the second unit, alongside the whole INPP, has been projected for 2009. The closure of INPP will have a direct impact on the overall social and economic situation, to the city of Visaginas and the Ignalina region in particular.

The lagging of some regions is predetermined by numerous reasons, including unfavourable geographic position, historic circumstances, industry recession, changes in market situation, etc. Concentration of economic activities at centres was particularly detrimental to border regions. Adjustment of regional economic activities to local natural and market conditions is slow. New infrastructure facilities and investments tend to concentrate at the regions of largest urbanisation and have no greater impact on laggard regions, which also gives rise to numerous regional differences in the sphere of employment, in particular in the structure of rural and urban employment. Substantial differences in housing prices and surging transport costs, if compared with the income of workers, dwarfs the mobility of labour force, depriving the residents of certain regions of possibilities to boost their income. The level of registered unemployment at certain districts and towns exceeds the country’s average twofold. Some of these centres (Didziasalis, Venta) have already turned into “the islands of poverty and despair” and became the shelter for the poorest and the most socially excluded residents.

Residents of problem regions are doomed for long-term poverty and exclusion; they have found themselves in a certain vicious circle, which is the result of low income, scare possibilities to find a job, insufficient level of education, limited choice and weak motivation. Social exclusion and poverty may only be surmounted with effective national policy and participation of community.
However, several positive results have been achieved in recent years. Regional unemployment disparities were diminished slightly in 2003 via the direction of employment boosting measures to the regions plagued by the highest unemployment rate. The jobless level at those territories declined faster, compared with the country’s average.

**Objective:** to stop further rise in regional differences in economic development and living standards and reduce these gaps.

### 1.9. Social Welfare

A significant decline in the number of insured poses a real challenge for the system of social insurance. The overall number of insured shrank by 459,200, or 26 percent, from 1991 till 2002, meanwhile, the number of residents of working age did not change much (2,127,600 in 1991, 2,046,800 in 2002). According to the data of the Board of State Social Insurance Fund, the number of persons covered with all types of social insurance plummeted by approximately 36 percent in 1991–2002. However, the sliding trend was frozen in a recent year (see Appendix, Chart 2).

The Long-term Strategy of Lithuania’s Economic Development Until 2015 has pointed out that the state social insurance puts too significant focus on hired workers, failing to provide full coverage for the persons engaged in any other economic activities. In particular, the system fails to cover or to provide full coverage for artists, free release persons, people employed in the shadow economy. Social insurance for rural residents poses numerous problems as well. Among other reasons, failure to pay social insurance contributions or irregular payments is predetermined by low living standards at rural regions. According to the data of the Board of State Social Insurance Fund, about 79,000 farmers, including almost 53,000 relieved of state social insurance contributions, were active in Lithuania in 2002. About 20,000 farmers refused to pay the contributions wilfully. On 1 April 2003 the parliament adopted the amendments to the Law on the Farmer’s Farm, which prescribed the replacement of mandatory social insurance with voluntary.

Insufficient coverage of social insurance may lead to the emergence of large social groups deprived of social rights. At present almost all residents of pension age are provided with old age or disability pensions, i.e. 97.4 percent. According to the data of municipal social assistance departments, a total of 4,346 individuals that had no rights to either of those pensions were registered in 2002. Following the procedures in effect, some pension age individuals that are not entitled for social insurance old age or disability pensions and have no source of income, may not have a right to get the social pension, which is a major source of concern. Social pensions were only granted to 590 pension age individuals as of early 2003. It means that some elder residents find themselves outside the coverage of both social insurance and social pension systems and, in the strict sense, the pension system fails to implement certain functions, in particular, to prevent poverty and to ensure sufficient social guarantees for all residents in their old age. These individuals may be entitled for a social benefit, the amount of which, however, is to insignificant to satisfy the vital sustenance needs.

Even a radical improvement in the collection of contributions may not prevent the problems with the funding of social insurance that will emerge amid a general ageing of society, in particular, after the ranks of pensioners are filled up by baby-boomers. According to World Bank forecasts, the number of pension-age individuals in Lithuania will rise by 12.4 percent in 2000-2050, whereas the ranks of working age residents will shrink by 24.3 percent. A significant threat – a continuing ageing of society – may boost the expenses of the social security system and propel to reduce the amounts of social payouts, which are not considerable anyhow.
Pensions were raised in recent years, to reach the average of 372 litas in May 2004 (from 323 litas in 2003). However, the average pension comprises mere 40.8 percent of average wages, taxes paid. The average old-age pension payable for women is lower than that of men. A significant number of pensioners are granted small pensions that do not reach the relative poverty line. The pensions paid to approximately 60 percent of old-age pensioners are below the average (see Appendix, Chart 3).

The amount of social pension granted for residents of old-age pension age coincides with the base amount of social insurance pension, currently at 172 litas. On average, the situation of the majority of disabled of the 1\(^{st}\) and the 2\(^{nd}\) groups of disability and old-age pensions is better, compared with the position of the poorest groups of population; however, it coincides or is even worse than the situation of unskilled workers in the best case.

A rise in the number of disabled manifested the acute need in reforms. In 1995-2002 the number of social insurance disability pensioners surged by 35 percent, to 188,100 in 2002. On the other hand, if compared with the majority of European countries where the rate of individuals with established disability ranges from 7 to 22 percent, the fact of disability in Lithuania is established for an insignificant part of society, at 7 percent. The differences are the result of disability identification criteria and the wide spectre of social services designated to meet special needs.

A rise in people of working age who are identified as disabled for the first time is predetermined by health disorders, as well as economic and social problems, including unemployment, underdeveloped system of professional rehabilitation, well-developed system of social privileges and guarantees. Elder people are prompted to apply for the identification of disability by a desire to make use of privileges assigned for the disabled, complicated financial situation and other social motives.

The system of insurance against unemployment and its funding is not effective enough. Only a small part of them – 11.7 percent on average in 2003 – are entitled for unemployment benefits.\(^{45}\) Moreover, the level of this support is low and unrelated with the former amount of person’s remuneration. Even the maximum amount of unemployment benefit\(^{46}\) (250 litas) fails to ensure the standard of living that would exceed the relative poverty line (266.2 litas in 2002). The minimum unemployment benefit (135 litas) signifies that a person has to survive on approximately 4.5 litas per day. Unemployment insurance funds are used for the financing of benefits for individuals omitted from the social insurance system and the measures of active labour market policy.

Social assistance for the poor in Lithuania covers the social benefit payable on the basis of income and property assessment, reimbursement of expenses on certain utility services, single payouts and free social services. The system of social assistance in Lithuania is not systemic enough. The threshold of income entitling for social support (state supported income - SSI) is extremely low, i.e., 135 litas or about 50 percent of relative poverty line. Moreover, people applying for social support are subject to additional requirements. Up to 10 percent of residents have income below the SSI, however, only 3.5 percent are granted the social benefit (about 119,000 individuals in 2003). The benefit paid per family member averaged 66 litas per month. Statistical information for 2002-2003 and the data of various social surveys evidence that about 7 percent of all families with children are granted the social benefit. Approximately 0.5 percent of GDP is assigned for the support of the poor per year on average; however, there are no data available about the beneficiaries of social benefits in terms of benefit payment duration.

In pursuit of improvements in the system of monetary social support, on 1 April 2004 Lithuania launched the uniform system of monetary social assistance provided under the principle of income and property evaluation and assuring the minimum funds for sustenance and utility services for poor residents. The right to social benefit has been granted for long-term jobseekers registered with the labour exchange for a period exceeding 6 months, as well as for persons of
pre-pension age. Social risk families are subject to control over the efficiency of social support utilization.

Evaluation of system of social services in effect in Lithuania leads to the disclosure of the following major shortcomings: underdeveloped advanced forms of provision of social services in the community; insufficient attention to preventive services for the most vulnerable social groups; insufficient inclusion of NGOs and private sector suppliers into the provision of services; failure to make a precise assessment of population needs in social services at the majority of local authorities, which, accordingly, distorts the accessibility of social services. Moreover, analysts note rather significant regional differences in the overall provision of social services. According to the data of the Ministry of Social Security and Labour, local authorities have different possibilities to provide social services: on average, social services are provided to approximately 50 out of 10,000 residents (the figure is different at various municipalities, and may range from 12 to 190). Observers note a considerable difference in the supply of services of assistance at home between rural and urban locations.

Another problem is related with insignificant inclusion of people in need of social services. For example, in 2003 a total of 6,900 elderly people, aged 65 or older (including the disabled), received services at assistance centres and 5,400 lived at stationary care establishments. 3,800 elderly individuals made use of services offered by day centres. The need of elderly people in stationary social care services is inadequately big (in the meaning of the level of personal independence) owing to small pensions and insufficient funds for living. The same is true about the need in services among social risk families with children and assistance services for children (services of day centres for children from social risk families, for children with behavioural problems, etc.). Amid a shortage of these services, assistance for social risk families is often replaced with the establishment of wardship for a child. The reports submitted by municipal services for the protection of children rights in 2003 have shown that the number of families willing to have the wardship of children declines, as families are unwilling to assume responsibility for children, adolescents in particular, because these children require more attention, whereas potential guardians need to know the principles of behaviour with young individuals of that age. The data available evidence that the majority of children put under wardship is of school age (7-17 years). Amid insufficiency of infrastructure of social services at the community and municipality level, the wardship of a child is often entrusted with a state-funded children ward houses or special boarding schools.

**Objective:** to develop social security system in pursuit of assurance of all-inclusiveness and adequacy.

### 1.10. Role of Non-Governmental Organizations in Enhancement of Social Inclusion

The number and diversity of non-governmental organizations (NGOs) in Lithuania is rather significant. The organizations differ in terms of qualifications, efficiency of activities, the scale of citizen inclusion. The majority (63 percent) of country’s NGOs make a certain contribution to the reduction of poverty. The organizations implement projects related with education and professional training, provide assistance for the disabled and youth to participate in the labour market. Other major spheres of activities of domestic NGOs include social integration, training for elder people, children care, social services, assistance for patients, distribution of charity, legal assistance, development of communities in rural locations, encouragement of employment among women, prevention of violence against women and social assistance to violence victims. Enhancement of voluntary drive is equally important.
Permanent search for funds, absence of continuous financing, complicated accounting (NGOs shall draw the accounts in line with legislation applied for domestic companies and shall also report to funds on the projects implemented) burden the work of these organizations, take much time and choke even the best initiatives.

**Objective:** to ensure more significant involvement of NGOs in the consideration and settlement of social problems, provision of social services.

### 1.11. Social Expenditures

Amid low level of allocation of public revenues, the share of GDP assigned for the financing of social security system is rather insignificant – in 2001 expenditures for social security comprised 15.2 percent of GDP, while the allocations for the reduction of unemployment and social exclusion, which are the spheres directly linked with poverty, account for a marginal share of social costs. The insufficiency of funding is particularly evident in comparison with the average figures for the EU-15. In 2001, expenditures on social security in the EU-15 totalled 27.5 percent of GDP on average. Expenditures on reduction of unemployment comprised approximately 6.2 percent of total social security expenditures in that year (in Lithuania – approximately 1.9 percent). In 2003 Lithuania allocated 92.1 million litas for the financing of active labour market measures, an increase of about 2.4 times from 2000 (39.1 million litas). Allocations for passive labour market policy measures totalled 40.5 million litas in 2003. Expenditures on education in 2000-2003 made up 6; 6.1; 6.3 and 5.9 percent of GDP respectively.

**Objective:** to concentrate more resources for the financing of social security, education and particular social inclusion measures.

### 1.12. Most Vulnerable Residential Groups

**Problem families, orphans and children deprived of parental care.** Poverty is one of the main reasons behind the social problems in families. Orphans and children deprived of parental care comprise the sorest problem in Lithuania. In 2002 a total of 3,003 children, 41 percent of whom were aged under 7, were deprived of parental care, in 2003 the number rose to 3,023, including 23 percent aged under 7. Orphans comprise one-tenth of children deprived of parental care. The majority of children deprived of parental care originate from social risk families. As of late 2002, the number of orphans and children deprived of parental care totalled 14,700; 52 percent lived in families, 2 percent – in foster families and 46 percent – at various children care establishments. 231 children were adopted in 2002. Almost one-third of them were adopted by foreign families. As of late 2003, the registers of municipal services for the protection of children rights showed entries on 17,900 social risk families raising a total of 39,200 children (see Appendix, Table 24). The almost stable number of problem families, the children in which often need temporary or permanent foster care, and the retention of the majority of those families in the lists of problem families from year to year lead to a supposition that social security guarantees warranted and provided by the state to those families are not effective enough. The authorities should intensify work with social risk and troubled families, encourage them to search for the sources of living, provide for and care for children.

**Ethnic minorities.** The general census conducted in 2001 has shown that Lithuania is a rather uniform country in ethnic terms. In 2001 the Lithuanians comprised 83.4 percent, Poles – 6.7 percent, Russians – 6.3 percent of total population. Representatives of other nationalities...
(Belarus, Ukrainians, Jews, Germans, Tatars, etc.) accounted for an insignificant part of overall population.\textsuperscript{52}

However, the differences between ethnic groups in terms of education are particularly significant. The best and the highest level of education is registered among the residents of Jewish nationality. Moreover, the level of education of Armenians, Ukrainians, Russians, Germans and other nationalities is higher than the level of Lithuanians, which is the dominant nationality (see Chart 4 of the Appendix). The major part of those individuals is the residents of cities. The lowest level of education is registered among Poles and Roma people.

The groups of nationalities also tend to differ in terms of unemployment and employment indices. Compared with the general level of unemployment in 2002 (12.4 percent), the jobless rate among the Lithuanians reached 11.7 percent, Russians – 18.7 percent, and Poles – 13.9 percent. The level of employment among the Lithuanians (in the age group of 15-64) was the highest, at 61.3 percent, whereas the respective levels for the Russians and Poles were 57.8 percent and 59.6 percent respectively (see Appendix, Table 25). These disparities are partially predetermined by the concentration of non-Lithuanians at the territories, which are less developed socially and economically. Moreover, compared with Lithuanian nationals, jobless representatives of ethnic minorities usually possess a lower level of general and professional education.

The problem of social integration of Roma people has not found its solution yet. The ethnic group of Roma people living in Lithuania numbers approximately 3,000 individuals, the majority of whom have no identification documents, accommodation or regular job. A total of 53 individuals of Roma nationality registered with the Vilnius Labour Exchange in 2003. 42 Roma individuals took part in active employment programmes, however, only one of them managed to find a job. Poverty flourishing in the numerous Roma families is closely related with unemployment. Moreover, Roma children are often late to start attending school or shun away from school overall. Accordingly, their education is particularly low. Almost one-fifth of Roma children abandon school and fail to gain elementary education. In recent years Roma children were practically absent among the school leavers, thus, the majority of people from this ethnic group does not have any profession. According to the data of the general census conducted in 2001, 38 percent of Roma people did not know the Lithuanian language, and elder Roma people tended to admit the knowledge of the Lithuanian language more often than the youth, which is contrary to other ethnic minorities. Trade in drugs and drug addiction is particularly widespread among Roma people.

Asylum seekers. As of late 2002, a total of 25,109 foreigners (including 0.4 percent of EU citizens) resided in Lithuania on permanent basis; 5,271 foreigners resided in the country on temporary (15.4 percent of them were EU citizens). In 2002 the Department of Migration registered 6,253 applications for the issue of permit for temporary residence in the Republic of Lithuania. The majority of arriving foreigners cite family reunion as the main reason to apply for residence permit (42.2 percent of all applicants). In 2002 288 individuals were granted international protection.\textsuperscript{53} Foreigners arriving to Lithuania on humanitarian grounds represent a group of most vulnerable persons in need of social protection. Accordingly, the authorities offer them a 12-month social integration programme (which in certain cases may be extended by another year), which covers numerous aspects, including temporary accommodation, education, organization of employment, monthly benefit for vital needs, healthcare, formation of tolerant approach in the society. About 64.2 percent of all individuals who have been granted the asylum, mostly the citizens of Russian Federation (see Appendix, Table 26), took part in the social integration programme that year. The remaining persons either depart from Lithuania or gain the support from relatives residing in Lithuania.

Upon the expiry of social integration period, which, compared with the terms of social integration applied in the EU countries, is too short, and amid failure to find a job during this
period (these individuals may use no credits for employment), these persons are left without the source of living and social guarantees. Local authorities tend to avoid accommodating the foreigners that have been granted the asylum at their territories. Moreover, local authorities and NGOs lack funds and employees skilled in this sector.

Lithuania’s failure to establish social integration for other categories of immigrants, e.g., foreigners arriving for family reunion, is a no less important problem.

**Victims of outrage, sexual violence.** The scale of outrage and sexual violence against children can hardly be determined, thus, no precise data about these children is available. In 2003 municipal services for the protection of children rights registered 1,444 cases of violence against children, including 113 cases of sexual violence, 417 cases of domestic violence and the remaining – cases of other violence (e.g., against minors). The data of sociological survey into the spread of sexual violence against children and commercial sexual abuse of children conducted in 2001 has shown that up to 10 percent of Lithuania’s children, mostly aged 13–16, fall victims to sexual violence.

According to the data of the survey conducted in 2001-2002 within the framework of educative campaign Life without Violence supported by the UN Development Fund for Women (UNIFEM), a total of 87 percent of respondents admitted that domestic violence against women existed in Lithuania.

The precise data concerning violence against elderly are not available, however, analysts do not doubt that the problem exists in Lithuania.

**Victims of human trafficking, prostitutes.** Experts estimate that the scale of trafficking in women in Lithuania is the largest among the Baltic countries. Analysts suggest that about 2,000-3,000 women are trafficked from the Baltic countries each year, with approximately a half of all trafficked originating from Lithuania. In the opinion of foreign experts, there may be 3,000-10,000 prostitutes engaged solely in this business in Lithuania.

**Other social risk persons.** Information and statistical data concerning the numbers of social risk individuals, expenses on their social integration are incomplete and rather fragmented. Thus, it is hardly possible to make a precise assessment of needs of risk groups in social assistance and the level thereof.

According to the data of Prison and Probation Department under the Ministry of Justice, a total of 4,390 individuals were released from *places of detention* in 2001, whereas in 2002 their number grew to 6,490. Minors comprise approximately 12 percent of all convicts (2001)

In most cases, these individuals lose ties with family, have no accommodation, professional skills, moreover, they often abuse alcohol or drugs. Assistance could be offered by special social adaptation institutions, the establishment of which in the regions have not been fulfilled yet despite the intentions to do so.

The problem of temporary shelter is partially solved by shelter homes established by local authorities. In 2002 temporary shelter in the country was offered by 23 homes, in which ex-prisoners (about 850) accounted for over one-third of all customers. However, temporary residence of persons from this social group at shelter homes constitutes a partial way to solve the problem with accommodation. Further solution of this problem is not that successful.

Professional training, development of professional skills and assistance to find a job are seen as a prerequisite stage in the process of social integration of these persons. Detention institutions have already kicked off the development of this core trend of social integration; however, employment or professional training still covers a particularly insignificant share of prisoners. The ratio of number of individuals who make use of professional training services and those who are released from jail is particularly low (approximately 5 percent in 2002).
Drug addiction, drug abuse and alcoholism. According to preliminary data of the State Psychic Health Centre, in 2003 the country’s registered number of drug addicts and drug abusers was 135.2 per 100,000 residents; moreover, there were 69.5 individuals with alcoholic psychosis and 1,785.9 persons suffering from alcohol addiction per 100,000 residents. All in all, there were 4,689 persons suffering from addiction to narcotic substances in 2003, i.e., 1.5 times more, compared with 1998 (2,871). The total number of persons suffering from addiction diseases totalled approximately 69,000 as of late 2003. Absolute majority of drug addicts resides in cities (94.2 percent), the majority of them are males (81.6 percent), mostly aged (38.1 percent) 25-34. Youth under 19 years comprises 7.8 percent of all drug addicts and drug abusers. The average age of individuals applying for treatment from drug addiction is 24.9 years, of those applying for treatment from alcoholism – 42.4 years. The data only cover the individuals who have applied to the abovementioned institutions.

The European School Survey Project on Alcohol and Drugs (ESPAD), which was conducted in 2003, has shown that the use of narcotic substances among children aged 15-16 has stabilized at 15.6 percent. The figures evidence that active preventive activities at schools yield positive results.

Concentration of drug addicts at places of detention exceeds the general average in the country by almost 100 times. The scale of drug addiction at imprisonment institutions evidence that convicts and detainees comprise a higher-risk group.

Although the authorities establish several drug addict rehabilitation institutions each year, the number of institutions is not sufficient compared with demand; moreover, the country does not have established institutions that would offer such services for children. Furthermore, territorial distribution of these institutions covers an insignificant part of domestic regions (municipalities). The expansion of services is also held back by insufficient regulation of activities of these institutions, payment for services in particular. These services are rather expensive, which limits their accessibility for lower-income families.

**Objective:** above all, to enhance social security, labour market, education and other social integration measures for the most vulnerable population groups.
2. STRATEGY, CORE GOALS AND OBJECTIVES

Elimination of poverty and social exclusion is largely seen as a problem of political will. In this national action plan targeting the enhancement of social inclusion, Lithuania outlines its obligations to initiate all-inclusive activities that will cover numerous spheres (employment, education, healthcare, social security, etc.) and will target the improvement in the position of the weakest groups of population, the enhancement of their possibilities and reduction of their poverty and social exclusion, consideration of differences in the position of women and men, their problems and needs. Assessing the current situation and the possibilities, high jobless rate and relatively low living standards, Lithuania does not expect to eliminate these problems completely in short term. The essential challenge is to eliminate extreme poverty within a decade and to reduce relative poverty and social exclusion considerably. Long-term objectives include the assurance of the required material values and social services for the individuals within social exclusion groups, offering of possibilities to acquire proper education, gain access to high-quality healthcare services, have an accommodation compliant with general standards, healthy conditions for work, a possibility to choose and have influence on the key decisions in life. Backed by common and better-coordinated efforts of public and non-governmental organizations, social partners and those socially excluded themselves, the country expects to achieve significant progress by 2010.

The strategy outlines the core trends and objectives, which Lithuania will aspire to in the long-term and short-term outlook. The objectives have been established pursuant to two main provisions.

Firstly, equal opportunities for all shall be secured while establishing the social inclusion society. The country will strive to ensure social justice in all and any spheres via the offering of more possibilities to use domestic economic and cultural achievements, conditions to preserve and improve health, study, improve and work. The country will follow the provision that the inclusion of each person into economic, social and cultural activities comprises the objective of overall public policy and is a measure to enhance the resources of the society to achieve this objective. Today’s expenditures on the reduction of exclusion are an investment into the long-term growth of well-being.

Secondly, the principle of equality between the sexes shall be observed while planning and implementing the measures of fight against social exclusion. The aspect of sexes has been integrated consecutively into the whole National Action Plan Against Poverty and Social Exclusion with the aim to consider and solve different problems encountered by women and men, and to boost the efficiency of measures targeting the reduction of poverty simultaneously. The strategy of integration of the sex aspect alongside specific measures establishes a foundation for effective implementation of principle of equal opportunities for women and men. In pursuit of equality of sexes in all and any activities, decisions are made considering the aspect of sexes. In the context of sex aspect integration, the qualitative description of current situation, the statistics of essential spheres by sexes comprises an integral factor required for successful implementation of strategy. Integration of sex aspect in various activities and all stages of activities, evaluation of all decisions with regard to their influence on sexes produces a positive effect on a possibility to consider the needs, duties, rights and priorities of both sexes, and predetermines higher quality of activity results.

The required precondition is the retention of current economic growth rate in the long term and strengthening of economic competitiveness on the global market. The country will pursue to preserve the country’s financial stability, which is a prerequisite condition for economic development. The authorities will focus on de-bureaucratisation of conditions offered to business and other economic activities, and fight against corruption in a drive to prevent
curbing of economic expansion. Moreover, the state investments into human capital, which is the main factor of long-term competitiveness of the country, will be raised considerably.

2.1. Long-term Objectives for Elimination of Poverty and Social Exclusion

2.1.1. Assistance for Vulnerable Persons

Elimination of extreme poverty. To eliminate extreme poverty in Lithuania by 2008. Anyone in short of food, shelter or warm clothes will be provided with these prerequisite means.

Reduction of relative poverty among the poorest population groups. To reduce the relative poverty rate of the poorest population groups by 5-10 percentage points via application of effective assistance and greater access to social security, education, professional training labour market measures by 2010.

Reduction of institutionalisation of children deprived of parental care and their social integration. Through the expansion of preventive measures for institutionalisation of children, to strengthen the support for families, work with problem families and delinquent children, to strive to reduce the rate of children without parental care and orphans from current 46 percent to 20 percent. These children will be offered the conditions for safe life in their biological family or in the environment similar to normal family life. To strive to ensure that all young individuals raised and attaining the majority at an institution, family or foster family stay away from the street, to ensure that any of those persons is provided with efficient and effective assistance at the onset of independent life, is trained in skills of independent life, provided with assistance required for the selection of profession and acquisition of skills required, finding a job, etc.

Protection of children, women and elderly against violence. To create an effective system of fight against violence against women, children and elderly and support to those individuals in a drive to boost the security of women, children and elderly people, to ensure the implementation of all measures within the system.

Prevention of further spread of addiction diseases and assistance to their victims. To stop the spread of drug addiction and alcoholism, thus boosting the security of persons and society. To cut the number of fatal cases resulting from drug overdose by 10 percent. For drug and alcohol abusers (including the convicts), to ensure the possibilities of proper healthcare, rehabilitation and social reintegration. To enhance drug addiction prevention measures.

Re-socialisation of convicts. To reduce the possibility of recurrence of crimes while implementing the coherent and complex policy of re-socialization of convicts and ex-prisoners and adhering to the principle of continuity. To focus on re-socialization of minor offenders who have served a term at a place of detention thus aiming to prevent the recurrence of crimes.

Assistance for HIV/AIDS infected. In a drive to reduce social exclusion of HIV/AIDS victims and boost their possibilities to integrate into the society, to ensure access to comprehensive and complex social, medical, psychological and other assistance for all and any infected. Moreover, to encourage the society to develop tolerant approach towards those persons and support them.

Fight against prostitution and human trafficking. To prevent the expansion of prostitution and human trafficking. To create possibilities for the integration of prostitution and human trafficking victims into the society.

Integration of refugees, immigrants and ethnic minorities. To create social, economic and political environment, in which the foreigners residing in Lithuania would be recognized as an important and respected part of society with a positive status, in a drive to ensure possibilities of integration into Lithuania’s society for refugees, immigrants and ethnic minorities. To ensure
possibilities for social and professional integration of Roma people. To ensure that, at graduation, the youth of ethnic minorities knows the Lithuanian language to the level enabling to study, acquire professional skills and work without any hindrances.

2.1.2. Boosting of Employment, Enhancement of Opportunities to Use Resources, Rights, Goods and Services

**Assurance of greater accessibility of labour market.** To upgrade labour market and boost the opportunities to participate therein for residents. To strive for the expansion of absolute employment, labour quality and productivity, strengthening of social cohesion and inclusion. While implementing the employment policy, to strive to ensure that the employment level reaches 70 percent, and the jobless level does not exceed 8 percent by 2010.

**Assistance for persons that face difficulties with integration into the labour market.** To expand the labour market with more individuals who encounter problems related with integration into the labour market or whose abilities to work are impeded by different social hindrances (unskilled youth; pre-pension age individuals, disabled people; youth with special needs; ex-prisoners; women raising children and returning to the labour market after a longer break; ethnic minorities; victims of human trafficking). To expand the system for the development of employment abilities of local residents, focusing on persons with special needs and socially vulnerable individuals: to apply active labour market policy measures, to pursue dissemination of professional information, create an effective system of vocational guidance, consulting and life-long training; to ensure the most favourable possibilities to coordinate professional and family life, application of flexible forms of work organization and remuneration, possibilities of telecommuting, support for business start-ups (in particular, for the disabled, women, youth, people in need of financial resources). To develop targeted employment programmes for the youth focusing on unskilled young individuals. To reduce youth unemployment to 15 percent by 2010. To develop the system of retraining for elder unemployed, to provide assistance for those returning to the labour market, to modify the approach of employers towards elder employees.

**Expansion of active labour market measures for the prevention of long-term unemployment and long-term unemployed.** To reduce the long-term unemployment rate to 3.5 percent by 2010. To ensure the participation of 25 percent of long-term unemployed in active measures via training, retraining, work practice or other employment measures by 2010. To enhance preventive measures that could prevent the occurrence of long-term unemployment.

**Strengthening of regional policy.** To create favourable conditions for the activities of private sector and to encourage investments into laggard regions thus assuring the reduction in regional employment and unemployment differences. To speed up the creation of new jobs, at high unemployment and rural locations in particular. To establish conditions for shuttle migration of labour force, expansion of small and mid-scale business, to strengthen regional and local centres. To promote the trends of alternative rural activities, which are related with agriculture and may develop into a source of income additional to the revenues on core activities, i.e., agricultural business. To create new jobs in rural regions with the assistance of investment support from structural funds.

**Reduction of the number of people on minimum wages.** In pursuit of reduction of poverty among workers, to cut the share of workers on minimum wages considerably in the overall structure of labour force by 2010 (from 10 to 6 percent). To upgrade jobs via the use of labour with higher skills, implementation of control measures to ensure that the employers cannot hide a part of wages from tax authorities, and the reduction of the share of the most unskilled labour force on minimum wages.
Enhancement of accessibility of social security system for the most vulnerable population groups. To ensure coordination between social insurance and social assistance systems, coverage of all population and social risks. To ensure the provision of assistance for the meeting of minimum needs for all individuals, who have insufficient funds for survival and cannot obtain the required funds themselves through objective reasons. To ensure that the amounts of social benefits guarantee the level of income enabling to retain human dignity and motivation to work. To protect children from social risk families and ensure the use of public benefits for the needs of those children. To adjust the amounts of social assistance benefits to the current economic situation. To prevent the emergence and deterioration of poverty of social beneficiaries via timely and effective indexation of social payouts.

Raising of pensions. To raise pensions in a drive to ensure that the minimum pension amounts exceed the relative poverty line, and the ratio between the average pension and the average net wages reaches 60 percent.

Enhancement of social services and assurance of greater accessibility thereof. To expand advanced forms for provide social services, to ensure the due quality of services, the continuity and all-inclusiveness of support. To strive to ensure equal accessibility of social services for all social groups in accordance with their needs, i.e., for women, children and elderly, for victims of family violence, as well as risk groups (drug addicts, alcoholics, former convicts, victims of human trafficking, etc.). To provide social services in a comprehensive manner, avoiding the split of person from the family and coordinating social services with monetary social assistance and other forms of social security, healthcare, education system services. To ensure free provision of mandatory social services for the poorest Lithuania’s residents. To reduce regional differences in the provision of social services via the expansion of advanced non-stationary forms applied for the provision of social services.

Assurance of social security system with sufficient resources. To implement the following objective established in the National Cohesive Development Strategy until 2020 – to achieve the current average of EU countries in terms of social security part of country’s GDP and, accordingly, to ensure sufficient financing for the implementation of social inclusion measures.

Assurance of proper accommodation for all. The problem with housing in Lithuania is particularly significant, and the solution will require significant costs, thus, the country does not expect to solve the problem completely in the nearest future. In a drive to reduce the number of individuals without accommodation, the authorities will strive to implement legal, economic and administrative measures that should enable to expand the housing system in a period of 12-15 years and offer to low-income families a possibility to acquire housing on favourable terms, moreover, the authorities will pursue the development of support scopes, adjusting the accommodation for the needs of disabled and weak elderly residents. The measures should improve the living conditions for the above individuals and should reduce the demand in stationary services. To ensure support for the most vulnerable residents in this respect, renting them an accommodation from the local authority or private sector. To boost the diversity of temporary accommodation forms for homeless.

Enhancement of healthcare accessibility. To expand public healthcare services for all residents and to ensure easily accessible high-quality outpatient and hospital healthcare services. To expand the network of primary healthcare centres to provide services for risk group individuals and ensure them better access to medical services. To expand the network of primary healthcare services at rural and remote locations. To strive to increase the share of children without health problems and functional disabilities while expanding the healthcare and preventive measures for children and youth.

Improvement of education. To develop the system of education services, education assistance offered by pre-schooling establishments, secondary schools, to eliminate hindrances for the
participation of children in social exclusion in the system of education. To charge local authorities with the accounting of children residing at their territories. To ensure the acquisition of high-quality elementary education by 95 percent of Lithuania’s children, secondary education by 95 percent of those who finish the elementary school and possess professional skills in demand on the labour market, higher education for 60 percent of Lithuania’s youth. To adapt the learning environment, technical provision of education and schooling institutions for the needs of disabled children and children from families eligible for social support, to ensure the provision with modern information technologies. To ensure the implementation of life-long learning principle via the application of wide diversity of training forms for different groups of population.

**Participation in cultural life.** To offer low-income residents, rural residents, disabled individuals and representatives of ethnic minorities a possibility to take part in cultural life, use cultural services, to encourage the population to do that regularly. To adapt schools, libraries, other community institutions, at rural locations in particular, to various cultural, sport, educational and social needs of local community.

**Assurance of legal assistance.** To ensure a right to obtain legal and social information, consultations and advising on various issues for each resident irrespective of his/her social status and income, and, in particular, for individuals suffering from social exclusion, to ensure full-value integration of those individuals into the society and to develop civil society.

### 2.1.3. Prevention of Social Exclusion Risks

**Development of knowledge society.** To offer all domestic population a possibility to use information technologies for personal and public needs via the reduction of hindrances for the use of modern information technologies, which are predetermined by social, property, geographic and other circumstances; to create a wide network of public Internet access sites and to reach the Internet penetration average of the EU states by 2015; to offer library visitors a possibility to use information resources via the net. To enhance the system of training in latest information technologies for the adults in order to ensure the most vulnerable persons to use these possibilities. To ensure the adjustment of information environment for the disabled.

**Adjustment of environment.** To adapt the buildings of public institutions for the Disable and other population groups satisfying their needs to act independently and participate in the community life.

**Prevention of homelessness, debts and other situations generating social exclusion.** To ensure the accounting of residents with arrears for utility services, and to enhance the measures for the support of indebted residents and scope of measure application. To take steps for the prevention of these debts.

**Preservation of family solidarity and prevention of social exclusion among children.** To strengthen families and their possibilities to raise children on the sidelines of development of the system of services offered to families, in particular to problem families, families with many children and single-parent families. To strive to offer families easier conditions for the caring for elderly family members, provide the required services and welfare.
2.2. Priority Trends for the Period until 2006

2.2.1. Assistance for Vulnerable Persons

To enhance social, economic, educational and legal opportunities of families and their responsibility for the upbringing of children. In a drive to ensure a possibility for children to grow safely in family, to develop the services of assistance for families and community services to the extent that these services comprise the major share in the total structure of services for families and children. To pursue regular improvement in the quality of these services. To ensure coherent reduction of poverty among families with many children.

To ensure social, pedagogical, psychological and other assistance for children and youth in social exclusion via the enhancement of opportunities of those children and youth for socialization, promotion of development of cultural and civil maturity, expansion of social skills. Admitting that the institutional care of children cannot be avoided in full, to strive to ensure that the established children care institutions offer the children the conditions, which are oriented to the family model, are favourable for the socialisation of those children and enable them to get ready for independent life in a community.

To enhance measures of fight against violence against women, children and elderly people in family, assistance measures and the measures of work with violators.

To create an effective system for the integration of children of the full legal age and without parental care and orphans of the full legal age into the society, which will provide these young individuals with both material and individualized social and professional assistance, develop their social skills.

To eliminate environment hindrances via the adjustment of environment of public buildings, accommodation, information and other environment for the needs of various social population groups.

In a drive to assist individuals, including those convicted, who use drugs and psychotropic substances, to create and implement a coherent scientifically grounds system of healthcare, social rehabilitation and reintegration into the society, which would meet the needs of the society.

To provide psychological, legal and other required assistance for the victims of human trafficking and prostitution.

To proceed with the creation of system for the adaptation and rehabilitation of convicts and ex-prisoners, enabling them to integrate into the public life and use the opportunities to life independently.

To create a system of all-inclusive assistance for refugees, immigrants, foreigners residing in Lithuania on temporary basis in pursuit of social integration of those individuals.

To implement a consecutive and coherent state policy for the integration of Roma people into the society, to strive to ensure the all-inclusiveness of services offered to the persons of this ethnic minority, including the accessibility of social, healthcare, education, professional integration services, conditions for preservation and enhancement of ethnic distinction.

To use the resources of EU structural funds and public funds for coherent reduction of poverty among farmers, to boost their abilities to adjust to changeable environment amid a rise in competition.
2.2.2. Boosting of Employment, Enhancement of Opportunities to Use Resources, Rights, Goods and Services

To establish the labour market accessible for all and any, to ensure equal opportunities for the employment of women and men, to encourage the creation of jobs for disabled people, ex-convicts and other population groups that are the most vulnerable on the labour market.

To reduce long-term unemployment (in particular, unemployment of two years or longer) via active and preventive labour market measures, to enhance the possibilities to access the labour market for youth, ex-convicts and other most vulnerable groups.

To encourage the activity of elder people, to offer proper work conditions in order to enable them to remain active on the labour market for as long as possible.

To develop the system of integration of the disabled into the labour market, the measures to support and retain their jobs.

To create better conditions for the integration into the labour market for young individuals with special needs.

To take measures for the elimination of illegal work, to create the conditions that would encourage people to opt for legal work.

To develop the entrepreneurship of persons most vulnerable on the labour market (disabled, women, youth, etc.), to offer them better possibilities to launch business and encourage them to do that.

To encourage the diversity of new business and the development of their infrastructure at rural locations; to strengthen the competitiveness and abilities of farmers and rural residents.

To fight against rural poverty and revive rural locations facing unfavourable circumstances, to enhance local employment initiatives; to encourage the creation of social companies.

To solve social and economic problems to be brought about by the shutdown of Ignalina nuclear power plant via the compensation of jobs to be lost after the decommissioning of the power plant. To help the residents of the region to adjust to new social and economic conditions and strengthen up on the labour market through the assurance of proper social security measures.

To encourage the establishment of social companies, their strengthening and the expansion of their diversity via the creation of favourable conditions for employment for the persons that have lost professional and general capacity for work, which are economically ineffective and cannot compete on the labour market on equal terms.

To alleviate participation of families with children or other dependents on the labour market.

To develop the capacity for work of people that encounter particular hardships on the labour market, to boost the possibilities of those people to find a job, fight against all and any forms of their discrimination, and, accordingly, to encourage the integration of those people into the labour market, to enhance the diversity of various sources, inconsecutive studies, to improve the network of professional guidance, consulting and training institutions, to create the conditions for professional training for low educated, unskilled and low-skilled youth and adults, long-term unemployed, socially vulnerable unemployed women, prisoners and ex-convicts, elderly people, disabled, victims of violence and human trafficking, ethnic minorities.

To implement the reform of insurance against unemployment and introduce a reliable and stable unemployment insurance system.
To reduce social and economic differences between regions, paying particular attention for the revival of weakest regions with significant unemployment rate. To mitigate social and economic sequels of shutdown of Ignalina nuclear power plant.

To encourage cooperation between social partners and boost the local level administration and management abilities for the solution of employment problems faced by persons in social exclusion.

To create economic and institutional conditions for effective solution of poverty and social exclusion problems, to execute the monitoring of their reduction, giving more attention for the integration of the most vulnerable social groups into the society, to develop the competences of social workers, including the issues of equality of the sexes.

To include as many residents as possible into the system of social insurance.

To adjust the systems of social insurance and private pensions adhering to the principles of social justice and generation solidarity.

To ensure more efficient application of medical, professional rehabilitation and social integration measures for the disabled and to improve the system of social security.

To raise small benefits that fail to secure even the minimum subsistence wage.

To make wider application of tax policy measures for the solution of poverty problems.

To reduce regional differences in accessibility and all-inclusiveness of social services via the enhancement of advanced and, in particular, non-stationary forms to provide social services and focus on the assurance of proper quality of services.

To aspire for the accessibility of core social services for all population groups in need of those services, irrespective of their ability to pay.

To encourage voluntary social work within the community via the support of initiatives of the youth, elderly, NGOs, religious organizations, mutual aid and other community groups.

To enhance the knowledge of residents about the social assistance offered.

To solve the housing problems of low-income residents. To develop a comprehensive and integrated response to homelessness. To expand the system of adjustment of accommodation for the disabled and elderly.

To boost the accessibility of wellness means and healthcare services in accordance with the territorial principle and focus on individuals residing at villages and remote locations.

To strengthen the health and medical care of individuals in risk groups.

To establish the conditions for the preservation and strengthening of health of schoolchildren via the wider use of possibilities of education and healthcare institutions.

To reduce the incidence of tuberculosis from 66 new cases per 100 000 residents in 2003 to 60 in 2004, 57 in 2005 and 55 cases in 2006.

To enhance the diversity of schooling programmes and forms, to improve the provision of schools with schooling means and technical equipment.

To ensure provision of required pedagogical, social and psychological services for children of preschool age in risk families.
To develop social assistance for low-income families in order to offer their children possibilities to study at secondary schools and to ensure the accessibility of other education programmes and levels irrespective of social and material status of parents.

To solve the problem of early leaving school of children and youth.

To enhance integration of children and youth with special needs into secondary schools.

To improve the conditions to learn and study for children of ethnic minority groups.

To improve the accessibility of public libraries for the disabled.

To encourage and provide conditions for cultural activities of low-income residents, as well as children, disabled and representatives of ethnic minorities.

To strive to ensure free legal services and legal education for groups of residents living below the poverty line and other socially vulnerable population groups.

### 2.2.3. Prevention of Social Exclusion Risks

To take measures to ensure the accessibility of Internet for low-income individuals irrespective of their place of residence. To develop the abilities of adults to use computers, Internet and other information technologies.

To boost the scope of Lithuanian digital content and possibilities to use the services offered by e-authorities for the majority of residents irrespective of their social status or the level of education.

To expand the programmes and measures on inclusion of disabled persons or individuals with special needs into the information society.

To enhance preventive and supportive measures for individuals with housing arrears.

To improve the mechanism of social benefit indexation, to ensure gradual increase in purchasing power of social benefits.

To ensure ongoing preventive activities for family problems, divorces, abandonment of children and child institutional care at all local authorities. To encourage families to raise and provide for children via the expansion of forms of assistance and particular focus on problem families and families with many children, single parent families. To encourage cooperation and transfer of experience between generations.

To strive for timely identification of sources of social tension and organize preventive social work. To create and introduce scientifically grounded programmes and projects on prevention of drug abuse, human trafficking and prostitution, asocial behaviour of children and youth, HIV/AIDS and related infections, violence (family in particular). To develop the psychological resistance of children and youth, other vulnerable persons to harmful factors of environment. To improve international cooperation, as well as cooperation between public institutions, non-governmental organization and the society over these issues.

To encourage social concord, tolerance, dialogue and cooperation between various groups of society.
2.2.4. Improvement of Institutional Activities

To enhance institutional mechanisms designed for coordination and adjustment of policy of all related spheres focused on fight with poverty and social exclusion.

To boost the abilities of all institutions, both on the national and regional level, to fight against poverty and social exclusion through the encouragement of development of social inclusion via local partnership.

To encourage cooperation between social partners in the settlement of issues of employment of socially excluded individuals.

To strengthen the role of NGOs and participation of individuals suffering from poverty and social exclusion in the process of social inclusion.

To expand interdepartmental cooperation in pursuit of regular inspection and monitoring of advance in the process of elimination of poverty and social exclusion, to integrate the issues of poverty and social exclusion into all trends of public activities.
3. POLICY MEASURES

3.1. Assistance for the Socially Vulnerable

3.1.1. Elimination of Social Exclusion Among the Highly Socially Vulnerable Children

In order to create for children deprived of parental care and children under the risk of separation from family, conditions of life closest to normal and ensure for them equal opportunities to integrate with the society and avoid social exclusion, it is necessary to:

- finalise and implement the strategy for reorganising the child care system. The strategy should lay down the main trends for the development of a social services’ system for children without parental care, which would ensure improvement of community child care system and its promotion in preference to the development of residential child care system;
- draw up long-term projects for returning children back to their biological family;
- set up in local communities (municipalities) different child activity and social assistance institutions for the children and the families (children’s clubs, day centres, child crisis centres);
- provide targeted assistance for children raised in child care institutions, by foster parents and in foster families to start independent life by developing their social skills; draw up a programme for their social and professional integration;
- draw up and implement a system of training and qualification upgrading for the foster parents to ensure proper care for children in families and foster families.

To improve the economic conditions of life for families with many children and thus alleviate their poverty; to pay child care benefits for every child raised in the family.

To arrange that, in order to ensure targeted use of benefits in socially vulnerable families, following evaluation of the situation in the families and the needs of their children, assistance in forms alternative to monetary support is organised under a procedure approved by the municipal council.

To ensure assistance for delinquent children, it is necessary to:

- draw and implement in local communities (municipalities) projects for the re-socialisation of minors returning from the special education and foster homes and custodial institutions;
- organise camps for psychological and pedagogical rehabilitation of children and young people within the risk group as well as free-time activities for children and young people;
- to increase the areas and scale of working with delinquent children and teenagers and their families;
- provide educational and psychological assistance services to delinquent children and teenagers.

To pool the efforts of all parties concerned and step up their abilities, it is necessary to:

- hold on a regular basis training sessions for specialists from different institutions working with families and socially excluded children and young people, including the issues of gender equality, and upgrade their qualifications; ensure the dissemination of good practices among them;
- encourage municipalities and the social partners to solve the problems faced by the socially excluded children and young people;
- develop co-operation among the institutions concerned, encourage them to disseminate and gather information on children who have suffered sexual abuse and other forms of violence.

3.1.2. Assistance for Persons Abusing Narcotic Substances

To encourage establishment of rehabilitation centres for persons using narcotic and psychotropic substances.

To support target rehabilitation programmes for children, young people and other drug users and their families, related to setting up rehabilitation communities for drug addicts and improving their material resources.

To draw up and implement in municipalities and other local communities support and employment programmes for persons treated for abuse of narcotic and psychotropic substances and alcohol and for their families.

To organise camps of psychological and pedagogical rehabilitation for children who have suffered from the abuse of narcotic substances as well as extracurricular drug addiction prevention events.

To ensure proper quality of services provided by the specialised centres for addiction, rehabilitation and mental health as well as the variety and accessibility of the services. To ensure in particular that the services are provided for children and young people and that the entire family is helped.

To improve the health care of convicts and persons in custodial institutions as well as the sanitary and hygienic conditions and material and technical provision. To ensure social rehabilitation services (social and pedagogical activity, increasing motivation not to use drugs, psychological consultation, etc.) and rehabilitation programmes for convicts who used drugs.

To ensure selection of modern scientifically grounded and specialised efficient methodologies and education programmes as well as their application to drug addicts among the arrested and the convicts.

To encourage a movement against drug abuse among school students and young people by involving student and young people leaders, NGOs, non-formal and other institutions.

To participate in the implementation of the European Union’s international programmes for drug addiction prevention.

To support and promote on a regular basis the participation of NGOs, non-formal structures and religious communities in the social rehabilitation of drug addicts (including persons in custodial institutions).

To implement scientifically grounded risk assessment methodologies for persons abusing narcotic and psychotropic substances and carry out research into the causes of drug addiction, including in custodial institutions.

To ensure collection, storage and analysis of statistical, documentary and technical information so that the competent institutions would have reliable data on the general trends as regards the
spreading of narcotic substances and drug addiction and would act based on this data when making decisions or implementing measures within their competence.

3.1.3. Assistance for the HIV-Infected and Persons with AIDS

To ensure proper health care for the HIV-infected and people with AIDS, an algorithm for the treatment of the HIV-infected and persons with AIDS should be prepared and approved.

To provide the HIV-infected and people with AIDS as well as their family members with information material on the medical, social, psychological and other services provided.

To expand the provision of day-time psychological services for the HIV-infected drug users (teenagers in particular).

To promote tolerance towards these people in the society.

3.1.4. Assistance for Victims of Domestic Violence

To create a sufficient legal framework for fighting violence against women, elderly people and children. To implement the newly adopted provisions on the isolation of the offender from the family by enjoining him or her to live separately from the victim during the criminal proceedings. In such a way the victim will be protected against possible unlawful influence being exercised on them and against new criminal acts against them (e.g. terror, interference with their health, etc.)

To draw up a concept of an action plan for fighting violence against women and elderly people, covering education of the law enforcement institutions, assistance for the victims of violence, informing the public and the victims of violence, education and health care.

To develop, following the territorial principle and actively involving municipal institutions, the network of crisis centres that ensure assistance for the victims of violence as well as work with the offenders; to support projects by NGOs on these issues.

To carry out research on the incidence of domestic violence and the need for social and other services.

To store and analyse statistical information on the victims of domestic violence.

To implement violence prevention projects in child education and child activity institutions.

To promote intolerance to the manifestations of violence in the society.

3.1.5. Assistance for the Victims of Prostitution and Trafficking in People

To support state, municipal and NGOs’ projects providing for social support for the victims of trafficking in people and prostitution as well as for their re-integration with the society.

To implement the Programme for the Psychological Rehabilitation, Professional Orientation and Employment of Victims of Trafficking in People and Prostitution, which aims at creating conditions for re-integrating the victims of trafficking in people and prostitution with the labour
market. To step up the activities within the programme to cover the largest number of
municipalities possible.

To set up centres for the prevention and treatment of social diseases.

To conduct surveys on the need of social and other services for the victims of trafficking in
people and prostitution; to carry out surveys on the changes in the prostitution business. To
develop, based on the survey results, a system to aid such people.

To implement the prevention of trafficking in people and prostitution in child education, activity
and care institutions.

3.1.6. Assistance for the Convicts and Persons Returning from Custodial Institutions

To set up special institutions for the social adaptation of convicts and persons released from
custodial institutions

To increase possibilities for the vocational training and development of working skills of
convicts and persons returning from custodial institutions and to assist them in getting employed.

To store at municipalities data on the numbers of persons returning from custodial institutions
and to survey their need for assistance.

To draw up and implement programmes for the provision of support to the social group of
persons returning from custodial institutions.

3.1.7. Assistance for Refugees and Immigrants

To draw an appropriate legal framework for the social integration of foreigners in Lithuania,
taking into consideration experience by the other member states of the European Union and the
specific local situation (economic, social and other factors).

To draw up a clear and specific programme co-ordinating the action by all government
institutions and NGOs in solving the economic and cultural issues connected with the provision
of social guarantees for foreigners.

To step up the contacts between the public and the foreigners residing in the country by setting
up information and assistance centres.

To provide for the education of foreign children in pre-school institutions and general education
schools.

To create socially just conditions for the self-expression and free-time activities of the children
and the young of refugees and immigrants.

3.1.8. Reduction of the Social Exclusion of the Roma People

To create conditions for the Roma children to attend the groups of pre-school education.

To arrange for the education of the Roma people (minors and adults) and encourage the Roma
people to participate in it; to help them acquire the resources for learning; to draw up individual
programmes for educating the Roma people.
To prepare and implement programmes for the vocational training and employment of the Roma; to encourage the Roma to participate in them.

To arrange for the primary and secondary healthcare of the Roma without the social insurance.

To conduct drug abuse prevention activities in the Roma community and provide the services of health and social rehabilitation.

To ensure for the Roma community the accessibility of integrated (legal, social, etc.) assistance.

To support cultural and cognitive projects by the Roma public organizations and amateur art activities.

To conduct opinion polls in the Roma community, aimed at identifying their problems, the need for different services, etc.

3.1.9. Assistance for the Farmers

To implement the measures of the EU support for agriculture:

- to make direct payments per hectare of agricultural land or unit of cattle;
- to pay compensatory payments for farming in less favoured areas;
- to make payments equal to an average pension to elderly farmers (from 55 years to retirement age) who abandon agricultural activity and hand over the farm to younger farmers.

3.2. Increasing Employment and Improving Opportunities for All Individuals to Use the Resources, Rights, Goods and Services

3.2.1. Increasing Opportunities for Employment

To suggest to people searching for employment effective measures for increasing their working capacity and integration opportunities, placing a particular focus on the people who face the greatest difficulties in the labour market.

To increase the efficiency of labour market policy measures.

Seeking to prevent long-term unemployment and to curb it, to ensure gradually that all unemployed persons registered at the Labour Exchange in 3 months would be involved into active labour market policy measures (unemployment prevention; labour supply and demand; vocational training; public and supported works; job creation for the disabled and the socially vulnerable; starting a private business).

To ensure that all young people who have been unemployed for less than 6 months and all adults unemployed for less than 12 months be offered an opportunity for a “new start” in the form of training, re-qualification, practice, a position or other form of employment, coupled, when needed, with continuous support in searching for a job.
To ensure that in the first stage of unemployment all people searching for a job would be given support by identifying their needs and would use the services of consultation and professional orientation, assistance in searching for employment and in personalising the action plans.

To develop, through the joint efforts of the Labour Exchange and municipalities, target employment programmes for young people (with a particular focus on unqualified young people), the disabled, people in the rural areas and other socially vulnerable groups; to establish branches of the Labour Exchange and special employment centres adapted for such activities.

To reduce the number of the unemployed among people over 55 years of age, increase the level of employment among them as well as opportunities for them to stay on the labour market as long as possible; to develop the programme for supporting the employment of the pre-retirement age unemployed (55+), drawn up by the Lithuanian Labour Exchange in 2003.

To provide legal preconditions and financial incentives for the elderly to seek employment and for the employers to employ them and keep them in the job.

To support the re-integration into labour market of women returning to professional activity after a long interval and of elderly women.

To solve in an integrated manner the issue of the employment of the disabled, to place a particular focus on the legislation regulating the labour relations of the disabled.

To create a mechanism for supporting the jobs of the disabled; to ensure for them equal rights and opportunities to work together with other individuals in the regular places of employment.

To develop, when integrating the disabled into the labour market, home employment and distance employment based on new information technologies.

To develop the consultation and training of disabled business people at the Disabled Business Information Centre. To hold seminars on business development and getting support from the EU structural funds for the business entities of the disabled; to expand the activities of the centre to cover all the regions of the country.

To develop different forms of employment for the disabled, work therapy and general employment (covers not only work activity but also any activity by a person, unrelated to labour relations) and include into the programmes of higher educational establishments the training of employment specialists working with the disabled.

To draw up and start implementing a programme for the integration of young people with special needs into the labour market.

Further implement national and international projects aimed at improving the preparation of people with different disabilities for the labour market and employment.

To implement in all territorial labour exchange branches the programme for the vocational training and employment of convicts.

To draw up locally special programmes to increase employment opportunities for individual social groups.
In tightening the control of the enforcement of legislation regulating labour activity, to create conditions for the employees to leave an illegal job for a legal one and thus ensure for themselves better social guarantees.

To step up the application of flexible forms of work and adopt the forms of modalities for the Temporary, Subordinate Position, Home Employment and Services contracts, which would regulate the issues of concluding a contract, determining the working and rest time, occupational safety and contract termination. To encourage among the social partners broader application of flexible forms of work.

To develop a network of business incubators and business information centres that would cover the weakest regions in the country in economic terms. To increase the accessibility of their services to the labour market’s highly vulnerable social groups (the disabled, women, young people, etc.).

To establish initial capital funds that would encourage people who have good ideas for business but lack the financial resources, to start their own business.

To promote equal opportunities and encourage women to participate in business. To hold, via participation in the European network for promoting women’s business, events to develop women’s entrepreneurial skills and disseminate information on the good examples of women’s business.

To set up and put into operation a system providing financial support for women’s business, which would facilitate starting and developing their business.

To encourage women to take a more active part in the courses on the basics of business held by the Labour Exchange and, when need be, direct them to business advisory centres and business incubators.

To involve employers, NGOs and trade unions into providing at the local, regional and national level employment for the unemployed with particular difficulties in integration.

To draw up training programmes for “local leaders”, aimed at increasing local opportunities, efficiently using the available human and material resources and solving the inter-related economic development, employment and social issues.

To improve the participation of the socially excluded by identifying their problems and planning to increase their employment and at the same ensuring the broadest possible involvement of the interested parties (government institutions of all levels, the social partners and NGOs) into solving the problems of these persons.

To identify at the local (municipality) level the indicators for assessing employment and unemployment as well as the implementation of labour market policy; to involve the social partners and ensure regular monitoring of these indicators.

To hold on a regular basis training courses for farmers and people in the rural areas and provide them consultations on the following issues: organic farming, computer literacy, accounting, motivation of local communities, etc.

To allocate investment support from the EU structural funds for promoting the alternative activities that are related to agriculture or can serve as an additional source of income alongside
the major source, the agricultural activity (support for farmers producing non-traditional agricultural products and those practicing traditional and non-traditional crafts). In 2004, over 29 million litas in public support is planned to be allocated for funding up to 50 per cent of investment costs in projects under the 4th priority of Lithuania’s Single Programming Document for 2004-2006, Rural Development and Fisheries, measure “Promotion of Adaptation and Development of Rural Areas, activities “Diversification of Agriculture and Related Sectors of Economy” and “Promotion of Rural Tourism and Crafts”.

To draw up in 2004 measures for the social and economic development of the Ignalina region, aimed at preparing for the prevention and elimination of the negative consequences of the closure of Ignalina Nuclear Power Plant.

3.2.2. Promoting the Implementation of the Principles of Social Economy

To provide a legal framework for the establishment and activity of social enterprises in order to facilitate employment for people who have lost their professional and general working capacity and are unable to compete on the labour under equal conditions – the disabled who are not working, particularly long-term (2 years and more) unemployed, people of pre-retirement age, people returning from custodial establishments, single mother or father with a child younger than 8 years of age.

To implement the Law on Social Enterprises that defines the target groups of persons to be employed at the social enterprises and the procedure of employing them, regulates the rights and responsibilities of the social enterprises and lays down the forms of supporting them (e.g. subsidies for job creation, exemptions, etc.) as well as the monitoring of their activity, etc.

To adopt the amendments and addenda of related legislation in order to create more favourable conditions for setting up and developing the social enterprises:

- to amend the Law on Administration, Use and Disposal of State and Municipal Property by providing that the social enterprises could be transferred the state and municipal property to hold in trust temporarily;
- to amend the Law on Public Procurement by providing for simplified procurement from the social enterprises, i.e. via simplified negotiated procedure without publication of a contract notice and following the usual commercial practice.

3.2.3. Promoting Vocational Training, Consultation and Life-Long Learning

To enhance fully the efficiency of vocational information and consultation and vocational training institutions’ network in order to increase the accessibility of vocational training, to establish at least two information centres at each municipality and to “bring learning closer to the home”.

To upgrade the system of vocational training: integrate consultations on career issues into the curriculum of general education schools.

To provide quality information on the opportunities for learning and employment.

To subsidise projects on information, vocational training and programme drafting that the labour market institutions, consultation centres, regional and local administration, NGOs and enterprises present. This will help to enhance the capabilities of the social and economic partners to solve at
the local level the issues related to the employment of persons with particular difficulties of integration with the labour market.

To ensure, when stepping up co-operation between educational establishments, child care institutions, associated employers’ representatives and functioning enterprises, that the variety and content of curricula correspond to the needs of labour market.

To set up in all Labour Market Centres of the Lithuanian Labour Market Training Service databases on the training and employment needs of the highly vulnerable individuals on the labour market.

To continue implementing projects aimed at the training of staff for working with the socially vulnerable, including all labour market training centres.

To analyse the need for the “second chance” training and draw up an action plan for meeting this need. Programmes aimed at individuals without professional qualification and with low-demand professional qualification will be drawn up and implemented.

To continue the implementation of measures for improving the professional preparation of the long-term unemployed to participate in the labour market.

To develop the drafting and implementation of special target programmes and projects on vocational training and consultation, aimed at unqualified young people.

To improve the professional knowledge of elderly people via training to adapt to the new technologies and preparation of special training programmes for the social partners to avoid discrimination against elderly employees.

To set up a uniform system of vocational rehabilitation for the disabled, according to which the working capacity level of people would be identified only after all the measures of medical and vocational rehabilitation and special assistance have been used. To this end, to draw up by 2005 the criteria for identifying the need for vocational rehabilitation services, rules for their provision and funding as well as the regulations of the allocation and payment of vocational rehabilitation benefits.

To draw up the strategy for developing the professional rehabilitation of the disabled in 2004-2010 by providing for measures to develop the infrastructure of professional rehabilitation and the services as well as to improve the quality of the services.

To prepare, based on the Concept of the Vocational Training for the Disabled, programmes for the disabled. Also, to expand the application of the already prepared and adapted to needs of the disabled programmes of formal vocational training and distance non-formal learning so that they cover all the labour market training centres in the country. To encourage the disabled to take part in vocational training.

To continue developing the base for the vocational training of the disabled (the equipment, the environment); to develop the infrastructure of vocational rehabilitation.

To draw up the rules for the provision and funding of vocational rehabilitation services.

To step up the preparation and implementation of projects for the integration of socially vulnerable women (16-25 years of age; single mothers with children younger than 18 years of
age; women after maternity leave) into the society via the preparation and implementation of vocational rehabilitation projects and programmes. To cover all the regions of the country and create opportunities for participation for all the socially vulnerable women, irrespective of their nationality or place of residence.

To step up the implementation of psychological measures for improving the social and professional adaptation in custodial institutions.

To adopt the procedure for the vocational training of convicts in custodial institutions and in enterprises at the custodial institutions. To improve the existing and to draw up and implement new programmes for the vocational training of convicts.

To change the procedure for the financing of vocational training for convicts; to improve the training conditions and increase the number of trainees.

To implement the programme for the vocational training and employment of former convicts in all territorial branches of the labour exchange; to provide with opportunities and encourage people returning form custodial institutions and having lost their working skills to participate in vocational training courses.

To strengthen the programmes of vocational training at all levels by placing the focus on the development of skills in using information technologies and in learning foreign languages or upgrading the knowledge of them.

To provide for the necessary legal and organisational measures to strengthen the practical training in employer support.

To draw up and implement the Programme for Implementing the Strategy of Life-long Learning.

To continue the preparation and implementation of projects aimed at stepping up the accessibility of adult education.

To work for the re-integration of victims of trafficking in people with the labour market.

To draw up, when developing the system of life-long learning, a training methodology adapted to the needs of elderly people.

3.2.4. Solving the Issue of Regional and Geographical Concentration of Unemployment

To form and implement investment policy via the creation of new jobs: to promote the establishment of industrial parks in regional centres the economic potential of which needs strengthening; to conduct their marketing abroad.

To implement the tasks and goals in fighting poverty and social exclusion, which are laid down in the plan of reducing the social and economic disparities between regions for 2004-2006.

To improve the education and transport infrastructure, especially in problem territories where the level of employment and income should be increased, by creating a better climate for investment, increase of labour force competence and labour force mobility.

Seeking to solve the issue of the exclusion of young people in the regions, to establish business incubators for young people, which would provide the young people in the regions, especially
the problem regions, with opportunities to start their own business under preferential conditions; to set up youth labour centres in those regions which do no yet have them.

Seeking to solve the issue of the exclusion of women in the regions and increase opportunities for their employment, to provide women as a target group with subsidised training and consultation services on the issue of starting a business and thus facilitate their integration with the labour market.

To draw up territorial target labour market programmes for increasing the employment of highly socially vulnerable people.

To draft economic, financial and social measures of regional policy for solving problems in the districts with high long-term unemployment rates (employers’ associations, county administrations and municipalities should draw up plans of economic and social development and attract investment to implement these plans).

To further develop the legal and economic environment suitable for local employment initiatives, strengthen partnerships and improve the mechanism for promoting local employment initiatives: improve organisational structures, set up financial support funds, improve the conditions for providing financial support and simplify the procedures. To place greater focus on employing the persons with particular difficulties in integrating with the labour market.

To develop public tourism infrastructure for promoting the development of services of eco-tourism, rural tourism and crafts’ villages in those regions of Lithuania where unemployment rate is the highest.

To allocate, when administering the measures of the EU structural funds, special attention to activities in problem territories in order to ensure that the highest possible number of projects financed from the EU structural funds and the national budget is implemented, new jobs are created and poverty and social exclusion is reduced.

In order to create favourable conditions for sustainable regional development, to compensate for the lost jobs by helping the residents to adapt to the new social and economic conditions and mitigating the social and economic consequences of the closure of Ignalina Nuclear Power Plant.

3.2.5. Measures for Ensuring the Reconciliation of Professional and Family Life

To encourage men to take paternity leave.

To develop measures improving the application of flexible forms of employment to men and women with children.

To implement universal pre-school education by developing the variety of models of pre-school groups oriented towards the needs of the family and the child.

To draw up and implement special programmes for the training and preparation of women to return to work after long periods of time out of work.

To draft legislation providing conditions for developing and offering social services for the family in all municipalities when encouraging municipalities to arrange the provision of a greater variety of services for families with members in need of care.
3.2.6. Facilitating Access to Resources, Rights, Goods and Services

3.2.6.1. Social Protection

To ensure better participation of rural residents engaged in farming or working independently as well as artists and employees engaged in creative activities in the system of social security based on solidarity, and to ensure better social guarantees for them.

To ensure partial funding of social insurance contributions to private pension funds from the state budget, from the funds received in privatisation and from the State Social Insurance Fund so that pensions for the present pensioners would be increased.

Considering to the financial situation of the State to increase social insurance pensions at a more rapid rate than the increase of the average monthly salary.

When implementing the Law on Social Insurance against Unemployment, to reduce as of 2005 the mandatory working experience for receiving the unemployment benefit to 18 months over the last 3 years; to raise the unemployment insurance payment by connecting its amount with the insured former income of the unemployed person; to differentiate the period of making the unemployment payment on the basis of the working experience of the unemployed person.

To implement the concept of Reform of Disability Identification and Social Protection Measures for the Disabled. The concept aims at changing the procedure of identifying disability by creating preconditions for a more just and efficient provision of social security measures for the disabled. Identification of the level of working capacity will create opportunities for a higher degree of objectivity in evaluating the individual’s capacity to work and his or her need for services of vocational rehabilitation and for the benefits; the employment of the disabled and possibilities for them to live an independent life will increase.

When granting disabled children the right to social guarantees for longer periods, to implement the Republic of Lithuania Law on the Social Integration of the Disabled (to come into force as of 1 July 2005), under which children would be identified as disabled up to 18 and not 16 years of age. The disability of children shall be divided into three levels: severe, medium and light disability. Such differentiation will ensure that individuals with serious disability would be offered respectively higher level of social and other support.

To draw up the rules and criteria for identifying the level of disability and the level of working capacity.

To draw up the conditions and rules for identifying special needs and meeting those needs.

To step up the payment of relief (social) pensions for the elderly people and the disabled who are not paid the social insurance pension.

To make a more efficient use of the NGOs’ resources and capabilities to improve social support; to create favourable conditions for the functioning of these independent systems of social support.

To conduct poverty research that will allow providing for more efficient means to alleviate it.

To set up a system for the monitoring of poverty and social exclusion; to set up the necessary databases and information processing and analysis systems.
To ensure better information of individuals within the socially excluded groups about their social rights and possibilities to use them.

To raise, taking into account the financial possibilities of the state, the level of state-supported income and the minimum subsistence level, on the amount of which the social payments to individuals below the poverty line depend.

In order to eliminate the regional disparities in the provision of social services and ensure the provision of social services to the highly vulnerable groups of individuals, to continue implementing the Programme for the Development of the Infrastructure of Social Services for 2004-2006; The Programme aims at developing progressive forms of service provision in the society via creation of a network of social services in municipalities and the regions.

To improve the accessibility of social services for the individuals mostly in need of them; to implement the system of assessing a person’s need for social services, which would be oriented towards the individual needs of a person; to introduce legal responsibility for the assessment of the need for social services and for the decisions taken in respect of the provision of one or another service to a person.

To analyse possibilities for financing from the state (municipal) budgets the provision of social services to persons for whom they are indispensable but who cannot afford paying for them.

Seeking to improve the quality of social services, to reform in the nearest future the provision of social services by creating a joint mechanism for the standards of social services, quality assessment and control.

To implement the system of assessing a person's need for social services; to introduce legal responsibility for the assessment of the need for social services and for the decisions taken in respect of the provision of one or another service to a person.

When holding training courses, seminars and other training events, to improve on a regular basis the competence of social workers and organisers of social services at municipalities; to hold training courses on the issue of gender equality.

3.2.6.2. Provision of Housing

To analyse mechanisms for the provision of housing to persons within the socially excluded groups and to improve the mechanisms, if need be.

To increase the fund of housing for lease in municipalities.

To increase social support for low-income persons who rent housing from private persons. To provide for financial assistance for these persons, which would be used to compensate for part of the rent payment.

To provide for the functions and responsibility of government institutions, counties and municipalities in adapting housing to the needs of the elderly; to differentiate the payment for the adaptation of housing on the basis of the individual’s income and property.

To develop the scale and diversity of accommodation services that municipalities provide to the homeless.
To encourage NGOs to develop a network of services to provide different types of temporary housing.

3.2.6.3. Promoting Healthy Life Style in the Society and Health Care

To hold an information campaign for the residents, in particular those of rural areas and small towns, on the implementation of healthy life style policies and the procedure of providing services in health care institutions.

To promote and apply healthy life style habits in the community, with a particular focus on the capacities of educational establishments, NGOs and self-government institutions. To support projects on the promotion of healthy life style in the society.

To develop the network of general practitioners’ offices in the rural areas and provide them with the necessary equipment and cars, thus ensuring the necessary health care services for patients in remote areas.

To implement the measures provided for in the Tuberculosis Prevention and Control Programme for 2003-2006 year: organise efficient primary prevention of tuberculosis; apply preventive measures in custodies and custodial establishments; to ensure regular and free provision of medicaments and etc. to people with tuberculosis.

To develop the skills of persons within the social and health risk group to adapt to the environment by encouraging them to join help groups, teaching them to overcome independently the personal and societal health problems and support public organisations that work for promoting personal and societal health and address the health issues.

To conduct a survey of school children’s health every 5 years, starting with the year 2004.

To include into public health programmes measures for fortifying children’s health; to draw up and implement special programmes for improving children’s health; to ensure proper protection of children’s health in general education schools.

To provide rehabilitation treatment for the elderly.

To provide persons without health insurance or funds to pay for the treatment with a possibility for medical and social services. For persons within high risk groups, the easiest way is to use the services provided at the “low threshold” health care centres, thus, their number should be increased.

To step up co-operation between the staff of community health care and the staff of social support divisions, which would facilitate identifying the social problems that medical doctors note as well as the socially excluded persons.

3.2.6.4. Education

With a view to ensuring the provision of institutional development services to risk families, to develop opportunities for pre-primary and general pre-school education.

To prepare the procedure for educational assistance aimed at children, and a child of 5-6 years who does not attend pre-school education institutions.
To improve access to education, promote the establishment within municipalities of funds for providing financial support to children and youth, funds for covering travelling expenses of pupils from families eligible to social support, when travelling to the events organised for children and youth at the county or country level, for services of non-formal education for children, studies, purchase of teaching aids, etc.)

With a view to creating conditions for children from low-income and social risk families to participate in education, in addition to providing children from low-income families with free meals, to supply them at the beginning of every school year with individual teaching aids.

To continue developing the system of transportation to school of pupils from pre-school educational establishments and schools.

To develop flexible and effective studies formation and crediting system, facilitating the granting of loans for studies and subsistence expenses to students of public and private higher schools, and in particular to young people who by virtue of law are eligible to social benefits.

To draft and implement the Programme of the Provision of Special Education Services which in addition to the development of training programmes, also envisages adapting the educational environment (proper equipment of classes, sanitary units, special access roads, etc.).

To prepare and approve the basket of state-supported educational services for children with special needs, having regard to the type and severity of their disability; create the model of supplying children with special needs with compensatory equipment and training aids necessary for their development.

To establish the system of psychological assistance and educational services for children with behavioural disorders and mental disabilities.

To develop the work with young people who lack learning motivation and encounter learning difficulties; to expand the work of pedagogues with parents, paying particular attention to work with problem families. To guarantee that all schools of general education have the posts of social pedagogues.

With a view to identifying children who do not attend school, at the municipal level to prepare and implement the software necessary for keeping record of children based on the pupils database.

To work out a complex plan of measures aimed at reducing school dropouts.

To draft the guidelines for returning children back to school.

To implement individual responsibility of parents for compulsory education of children, relating financial support to the family with parental duty to take care of the development of their children.

To provide wider opportunities for setting up youth classes in schools and for the establishment of youth schools.

To improve the provision of schools with formal and non-formal sources of information (alternative textbooks, other teaching aids, computer hardware and software, audio and video records, CD, etc.).

To elaborate the National Programme for the Development of Distance Learning: to work out distance learning programmes and expand the network of services for individuals with particularly restricted mobility and special needs.

To set up day care centres, including in schools implementing primary and basic education programmes.
To pay additional attention to educational needs of the limited number of ethnic communities, to facilitate the activities of Saturday and Sunday schools of ethnic minorities.

3.2.6.5. Culture

In implementing the Programme of Renovation and Modernisation of Libraries for 2003-2013, to take into consideration the needs of the disabled for public library services: to renovate the surrounding environment of libraries and their interior so as to avoid all possible difficulties which may be caused for the disabled.

For the purpose of conducting the surveys of cultural needs of individuals from different regions in 2004 according to the Regional Cultural Development Programme, to take into account cultural needs of low-income, disabled and elderly population of such regions.

To work out and implement the targeted regional programme in support of artistic development and occupation of children and youth.

To increase the state support to the projects of culture and art of NGOs.

To finance every year by way of tender the projects of NGOs aimed at strengthening the synergy of the creative work of artists of different groups of age and various social groups.

To support creative projects of young artists (exhibitions of fine arts, photography, TV and radio broadcasts, publications, performances, documentary films, etc.), actualising the issues of negative and youth social risk phenomena.

To organise every year 1–2 creative camps, plain-air paintings for artists, children from social risk group families and youth.

To finance every year by way of tender using the Republic of Lithuania state budget funds, one project of young artists aimed at towns with difficult social, economic, ethnical status (Visaginas, Naujoji Akmenė, Jonava, Mažeikiai, etc.).

While maintaining the continuity and viability of folklore traditions, to support participation of people of different ages in folklore groups, the establishment of children folklore companies, clubs gatherings of people.

To support the projects of ethnic culture according to set priorities.

To initiate the openness and adaptability of schools of all types, in particular country schools, to different cultural, sports, educative, and social community needs.

3.2.6.6. Legal Assistance

With a view to improving the existing mechanism of legal support guaranteed by the state, to reduce the requirements of the first level applicable to low-income and poor individuals willing to obtain primary legal assistance.

To distinguish the most socially vulnerable groups of individuals exempt from the requirement to submit property and income declarations when seeking legal assistance.

To improve availability of legal assistance for individuals eligible to social support, covering all regions of the country.

To engage the country’s higher schools and NGOs (the Lithuanian Citizens Advice Union and other organisations providing free services) for the purpose of legal education and counselling services of citizens while guaranteeing their availability in all regions, and in particular for groups of individuals living in poverty).
3.3. Prevention of the Risk of Social Exclusion

3.3.1. Using the Opportunities of Knowledge-based Society

To supply county and municipal public libraries with computer and Internet facilities, provide training for the staff. In addition to expanding library reading-rooms, gradually computerise branches in rural areas.

To supply with computer facilities the education, care and occupation establishments for children.

In transforming the contents of eGovernment authorities’ websites into the digital form which is easier to understand and more accessible, to develop criteria and guidelines for assessing the accessibility of digital content of websites, to formulate the digital content methodology having regard to different needs and educational background of social groups, and to implement interactive module training for users and providers of eGovernment services.

To speed up the development of the Internet IT-based education information system of Lithuania.

To create a wide network of public Internet access centres; in implementing the agreement of the alliance “Window to the Future” and the Ministry of the Interior, to reach the average Internet penetration of the European Union; to establish 300 Internet centres in the several coming years, making Internet services accessible for low-income individuals.

To work out and implement the training programme for adults on the use of new information technologies.

To implement the concept of adaptation of information environment to the disabled; to prepare methodologies for adapting the information environment to their development, training, vocational rehabilitation and employment; to create and adapt to the disabled the special compensatory equipment, to supply them with such equipment, adapting it to information systems and data funds; to prepare the norms for adapting information environment to the disabled.

To finance projects aimed at improving the Internet access of the disabled using state budget funds allocated to the Council for the Affairs of the Disabled.

3.3.2. Prevention of Indebtedness

To collect data on the number of individual who have indebtedness for communal services and on the extent of such arrears.

To develop and implement the programme aimed at individuals who have indebtedness for communal services, covering mechanisms and procedures that secure protection of the interests of such individuals and preventive measures of such arrears.

To organise training on the subject of family budget management for low-income families and families who have indebtedness for communal services.

With a view to precluding the poverty of the beneficiaries of different social benefits (e.g., old age pensions, family benefits, etc.) or the growth of poverty as a result of price increases, to guarantee that indexation of benefits is carried out in observance of special inflation index, which reflects the change of the situation upon growth of prices to the best possible extent.
3.3.3. Preservation of Family Solidarity and Prevention of Social Exclusion of Children

To set up family support services engaged in providing diversified services to problem and other families, by implementing training programmes for parents, group therapy, educational programmes on matters related to family life, etc.

To give priority to the child’s development in the family. To focus activities of care establishments on the family model.

To enhance the role of municipalities in planning and coordinating social support to families, improved protection of the rights of children and old people through implementation of preventive measures of law and order.

To guarantee dissemination of information about family services, in particular in cases of crises.

To strengthen the work with social risk families, so as to ensure the use of allocated benefits for satisfying the needs of children and incapable adults living in families.

In facilitating the requirement to determine the child’s paternity for single mothers as provided for in the new Law on Financial Social Support to Low-income Families, to provide them with full legal assistance and counselling.

3.3.4. Prevention of Problems that Give Rise to Social Exclusion

To work out and implement in schools the plans of measures aimed at long-term prevention of drug addiction, suicides, sexual abuse, violence, in particular family violence, preservation and strengthening of mental health.

To work out the methodology for consulting in schools children and youth on social integration matters.

To create and implement in schools the plans of measures aimed at developing life skills of children and youth; to develop mature attitudes and healthy life skills in children and youth.

To work out and implement the plans of measures aimed at the prevention of violence in childcare and educational establishments.

To educate society on the matters of proper bringing up of children, development of civic attitudes and intolerance towards violent family crimes.

To organise competitions related with children and youth crime prevention programmes.

To promote and support community-based drug prevention projects, activities of NGOs and mutual assistance groups.

To prioritise the approval and financing of drug prevention programmes aimed at the prevention of the use of drugs in schools, families, places of entertainment of children and youth, to support projects for children living in streets or asocial families or families attributed to higher risk group.

To prepare and implement drug use prevention programmes having regard to age, culture, family traditions and other specific features of individuals falling within risk groups.

To develop extracurricular activities and occupation of children during their free time.

To develop intolerance of the society towards drug addiction, to strengthen international cooperation in the sphere of control of drugs and prevention of drug addiction.
To implement the prevention of drug addition in places of imprisonment. To develop diversified work of psychological services in places of imprisonment with prisoners who have never used narcotic substances.

To organise training on HIV prevention issues for individuals attributed to risk groups at the municipal level.

To carry out prevention of HIV/AIDS and related infections among individuals who use injected drugs, within high-risk groups, educational establishments and among youth.

In implementing the Educational Programme for the Prevention of Trafficking in People and Prostitution, to create and implement in schools conditions for early prevention of trafficking in people and to strengthen interdepartmental cooperation in this field.

To provide community with requisite and relevant educative information about threats related with trafficking in people and prostitution.

To develop surveys of prostitution as of the social phenomenon.

3.4. Ensuring Gender Equality

To improve abilities at the local level to take into consideration different problems of men and women who suffer from social exclusion.

To integrate gender dimension into training programmes for specialists from different spheres, in particular, from different fields of social sector and health care.

To encourage media to create and use non-stereotyped, balanced and diversified images of the representatives of both genders in mass media.

To develop women’s skills and abilities to master modern information technologies, to improve their knowledge and to increase opportunities to use modern information technologies.

To encourage setting of equal salaries for the work of equal value for men and women employed in the private sector.

To increase opportunities for women to participate in decision-making processes, to recommend and encourage commensurate representation of both genders when setting up commissions and working groups.

3.5. Financing of Measures of the National Action Plan Against Poverty and Social Exclusion from the Central and Municipal Budgets and the EU Structural Funds

Measures established in the 2004-2006 National Action Plan Against Poverty and Social Exclusion will be implemented with the funds allocated from the central government and municipal budgets as well as the EU structural funds. Resources envisioned for the implementation of certain measures are specified herein, whereas the funds required for other measures will be earmarked in the annual central government, municipal, state social insurance funds and health insurance fund budgets.

According the with the European Commission concerted Single Programming Document one of the main priorities for 2004-2006 year is human resources development.
The monetary resources of the European Social Fund will be used for the implementation of the following five measures:

**Development of employment abilities.** The measure targets the enhancement of employment abilities of the unemployed and improvement of their integration into the labour market, as well as prevention of unemployment. While implementing the measure, the authorities will focus on young and long-term unemployed, unemployed without the required professional qualifications, as well as persons in danger of long-term employment. The measure will cover the financing of training and improvement of professional skills for jobseekers with special focus on the basic knowledge, including the raising of language and information (ICT) literacy, activation of jobseekers and encouragement of motivation, vocational guidance and consulting, training and support for business start-ups. Moreover, the measure will embrace the strengthening of institutional abilities of Lithuanian Labour Exchange, introduction of new services for jobseekers and employers, development of employee qualifications.

**Enhancement of labour force competences and abilities to adjust to changes.** The measure will support the training of small and mid-scale business executives and employees, retraining of residents or improvement of their professional skills at sites of essential economic restructurisation, privatisation of state-run companies, etc.

**Prevention of social exclusion and social integration.** This measure targets to offer wider possibilities for social risk groups to integrate into the labour market thus reducing social exclusion. First and foremost the reduction of social exclusion is related with the enhancement of accessibility of professional training and employment opportunities. Investments will focus a wide range of activities, including professional training and support of employment, vocational guidance and consulting, development of remote training system. In pursuit of overall accessibility of labour market, the measure will consider specific needs of these groups and apply additional instruments to enable them to acquire the required skills and integrate into the labour market: disabled persons will see the enhancement of professional rehabilitation system, employers will be encouraged to organize practical training and employ the disabled, the authorities will create and expand social employment companies (for the disabled and other socially vulnerable groups). Another trend to garner the support is the assurance of equal opportunities for males and females.

**Enhancement of life-long training opportunities.** ESF investments in this sector will assist the creation (and promotion) of life-long training system, improvement of education and training quality.

**Improvement of human resource quality in scientific research and innovation.** This measure will support the training and improvement of competences of the scientists meeting the economic and business needs, implementation of Scientific Research and Experimental Development (SR&ED) projects, etc.

Overall assistance to be granted to Lithuania from the European Social Fund for the development of human resources in 2004-2006 will reach approximately 163 million euros, i.e., 562.8 million litas. Assistance from the EU structural funds may comprise up to 75-80 percent. However, the authorities shall ensure national co-financing. In 2004-2006 the national co-financing envisioned for the implementation of three measures of Human Resources Priority of the Single Programming Document (SPD) eligible for financing from the European Social Funds and to be implemented by the Ministry of Social Security and Labour will reach approximately 100 million litas (funds for the overall financing of abovementioned measures are indicated in Table 1).

### Table 1. Co-financing funds by measures (in million LTL)
Development of employment abilities

<table>
<thead>
<tr>
<th>Total</th>
<th>ESF</th>
<th>National public financing</th>
</tr>
</thead>
<tbody>
<tr>
<td>211.2</td>
<td>158.4</td>
<td>52.8</td>
</tr>
</tbody>
</table>

Enhancement of labour force competences and abilities to adjust to changes

<table>
<thead>
<tr>
<th>Total</th>
<th>ESF</th>
<th>National public financing</th>
</tr>
</thead>
<tbody>
<tr>
<td>135.7</td>
<td>101.8</td>
<td>33.9</td>
</tr>
</tbody>
</table>

Prevention of social exclusion and social integration

<table>
<thead>
<tr>
<th>Total</th>
<th>ESF</th>
<th>National public financing</th>
</tr>
</thead>
<tbody>
<tr>
<td>70.7</td>
<td>56.5</td>
<td>14.1</td>
</tr>
</tbody>
</table>

SPD Measure 1.5 concerning the development of labour market, education, professional training, schooling and studies, and social service infrastructure is eligible for assistance from the European Regional Development Fund (hereinafter ERDF). The measure targets to strengthen and upgrade labour markets, education and schooling establishments, update the technical and technological basis of institutions, expand the diversity and quality of social services, and, hence, to ensure all material premises for successful implementation of measures within the Human Resources Priority. Allocations from ERDF for the funding of this measure are expected to total 147.8 million litas. For the Ministry of Social Security and Labour to implement the measure, national co-financing will reach approximately 45 million litas in 2004-2006. While implementing the measure, the Ministry of Social Security and Labour will pursue the reduction of irregularities in the national allocation of territorial institutions offering labour market, vocational guidance and consulting, professional training services.

A portion of funds, which the measures on the reduction of social exclusion are eligible to from the central government and municipal budgets, has already been earmarked (see Table 2). Additional funds from these sources will be scheduled in respective annual budgets each year.

Table 2. Measures financed with the funds of central government and municipal budgets

<table>
<thead>
<tr>
<th>Measures</th>
<th>Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Measures aimed at promoting companies to create jobs for the disabled</td>
<td>2004 - 4 million litas</td>
</tr>
<tr>
<td>and organize on-the-spot training</td>
<td></td>
</tr>
<tr>
<td>2. Professional rehabilitation service for the disabled</td>
<td>2005 – 2 million litas</td>
</tr>
<tr>
<td></td>
<td>2006 – 5 million litas</td>
</tr>
<tr>
<td></td>
<td>2007 – 7 million litas</td>
</tr>
<tr>
<td>3. Improvement of monetary social assistance system</td>
<td>2004 - 20 million litas</td>
</tr>
<tr>
<td>4. Improvement of the situation of social pension beneficiaries</td>
<td>2004 - 18 million litas</td>
</tr>
<tr>
<td>5. Benefits for children aged 3 to 7</td>
<td>2004 - 41 million litas</td>
</tr>
<tr>
<td>forms</td>
<td></td>
</tr>
<tr>
<td>7. Transportation of schoolchildren (including the adjustment of yellow</td>
<td>2004 – 3.5 million litas</td>
</tr>
<tr>
<td>buses for the disabled)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Prisoners and Deportees and Their Families to Lithuania for 2002-2007</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>12.</td>
<td>Extension of the Programme for Control and Prevention of Human Trafficking and Prostitution for 2002-2004 for the period of 2005-2007 (Measures planned by the Ministry of Social Security and Labour)</td>
</tr>
</tbody>
</table>
4. INSTITUTIONS

4.1. Process of Arrangement of the National Action Plan Against Poverty and Social Exclusion

The elaboration of National Action Plan Against Poverty and Social Exclusion (hereinafter - NAP), was organized and coordinated by the Ministry of Social Security and Labour of the Republic of Lithuania. To ensure the participation of all parties concerned in this process, the ministry established a task group from the representatives of various ministries (Social Security and Labour; Economy; Interior; Agriculture; Healthcare; Finance; Justice; Culture; Education and Science), local authorities (Lithuanian Association of Local Authorities), departments (Department of Statistics under the Government of the Republic of Lithuania; Department of Physical Culture and Sports under the Government of the Republic of Lithuania), nongovernmental organizations (Elderly Woman Centre; Red Cross Society; Lithuanian Citizens Advice Union); employees (Confederation of Lithuanian Trade Unions; Lithuanian Trade Union Solidarity; Lithuanian Labour Federation), employers (Lithuanian Business Employer Confederation; Lithuanian Confederation of Industrialists); the State Council of Youth Affairs. Moreover, the task group was joined by independent experts and scientists.

The task group was established with the aim to draw the problem of poverty and social exclusion to the attention of both public institutions active in the sector of social security and other institutions, which tended to pay less attention to the subject (e.g., the Ministry of Economy, the Ministry of Interior, etc.), to combine and coordinate the efforts of the government and local authorities, social partners, non-governmental sector initiatives for fight against poverty and social exclusion.

The first meeting of the task group tackled the procedure for the elaboration of NAP and operating methods. The group ruled that each member should develop proposals concerning the section of his/her competence within the general structure of the plan, and consider the proposals at his/her institution. Later the parts were merged into a coherent text, and the draft NAP was forwarded to all members of task group for review and comments. The remarks and observations of institutions represented at the task group were discussed at a general meeting. Considering the results thereof, the draft NAP was supplemented and amended. Further on, the project coordination and discussion procedures were conducted repeatedly. Finally, the draft NAP was forwarded to Cabinet members for final deliberations and approval by the government.

Thus, the elaboration of NAP witnessed the creation of a certain union against poverty and social exclusion. The union is still young and fragile, however, efforts will be made to strengthen the coordination of activities and interdepartmental cooperation over the issue. Great attention should be given for the activation of representatives of non-governmental organizations and social partners and boosting of their competences.

4.2. Inclusion of Persons Suffering from Exclusion

Residents suffering from social exclusion should become one of the key driving forces in fight against poverty and social exclusion. These persons should realise that they are responsible for their own well being in the first place, however, they may also require the authorities to intensify measures to improve living standards for the weakest members of society. So far these groups are far from well organized in Lithuania, which brings about the need to support the unification of those socially excluded by territories or interests into the groups of mutual aid and cooperation. One of the ways to encourage the inclusion of social exclusion groups into the process of fight against poverty and social exclusion is to strengthen the activities of non-
governmental organizations (hereinafter - NGOs). NGOs may stir up the creation of civil society, and encourage the citizens to search for ways to solve their problems themselves. Backed by organized efforts and activities, socially excluded individuals may grow into equal partners at all stages of reduction of poverty and social exclusion. Solid results are hardly achievable without active participation of those individuals.

The alternative way, which will ensure the consideration of opinion of socially excluded groups in the decision-making process, is to expand the execution of surveys and polls covering the issues of importance for those groups. This measure could lead to clarification of positions of socially excluded persons on various issues, which would be considered by decision makers.

Dissemination of comprehensive and timely information is an essential precondition for the assurance of participation of socially excluded groups. The data should cover the information on relevant issues, rights, duties and opportunities of residents, procedural information that spells out the methods and ways for the residents to make use of those rights and possibilities. Sources of information dissemination should be diversified to reach the largest possible part of socially excluded groups. These may be mass media, announcement at public locations, posters, etc., depending on the nature of information.

Moreover, the authorities should strive to ensure for residents a possibility to lodge complaints against the decisions contradictory to their interests. To achieve that, Lithuania should establish a system of appeals, which would give to weak members of society an easier way to dispute the decisions of social institutions with regard to those persons.

At local level, the authorities shall enhance the inclusion of residents into the implementation of programmes, including and analogous to the Programme of Partnership between Rural Communities, Local Employment Initiatives, etc. In pursuit of proper use of opportunities for the assistance granted from structural funds under the measure of SPD Leader+ nature, the country shall encourage the establishment of local groups and develop their abilities to work out local development strategies.

4.3. Inclusion of Fight against Exclusion into the Common Policy

Elaboration of strategy on poverty reduction in Lithuania was one of the first and most significant strategic steps that prompted the authorities to include the issues of poverty into the general policy. The strategy established, developed and validated the initiative stating that poverty shall and may only be reduced through complex, coordinated measures embracing different spheres (education, professional training, labour market, social security, fiscal policy, etc.).

Presently the arrangement of documents and programmes of national significance is accompanied by the formation of task groups comprising the representatives of various spheres and public authorities of various levels. Moreover, the groups include independent experts (scientists), NGO representatives and social partners. The authorities appoint a coordinating institution in charge of process. Task groups hold regular meetings to consider the issues emerging in the process of elaboration of the document/programme, submit proposals, etc. The majority of documents/programmes in any sphere (environmental protection, healthcare, etc.) contain a separate chapter on social exclusion or at least specify the measures designated for the improvement of position of vulnerable population groups and boosting of their integration.

For example, one of the most important documents – Lithuania’s Single Programming Document for 2004-2006 - spells out the priority spheres eligible for the funding from Lithuania and European Union, and envisions the 5th Measure on Development of Labour Market, Education, Professional training, Science and Studies, and the Infrastructure of Social Services within the 1st Priority on the Development of Social and Economic Infrastructure. The measure will be
implemented via the following instruments: expansion and renovation of infrastructure of care establishments for the disabled, improvement of infrastructure for the system of professional rehabilitation of the disabled, adjustment of physical and information environment for the needs of the disabled; enhancement of diversity and improvement of quality of social services for different population groups (e.g., elderly people, socially abandoned children, etc.) via the development of transitional community social services. Moreover, the following measures have been spelled out under the 2nd Priority on Development of Human Resources: development of application of active labour market policy measures and enhancement of participation of the unemployed (in particular, long-term jobseekers or unemployed individuals in danger of long-term unemployment; young; unskilled) and persons in danger of unemployment in the measures; strengthening of social partnership; enhancement of integration of social risk groups (disabled; addicts; prisoners and ex-convicts; ethnic minorities) into the labour market; creation of conditions for the reintegration of women into the labour market, etc.

Lithuania intends to ensure the assessment of all measures prescribed in all and any national and local-level documents or programmes in the aspect of reduction of poverty and social exclusion.

4.4. Promotion of Dialogue between the Parties Concerned

The state, which controls significant powers for the redistribution of social resources, assumes substantial obligations to reduce poverty and social exclusion; however, no significant results may reasonably be expected without the efforts of individual citizens and their voluntary alliances in particular. Citizens, non-governmental organizations, traditional religious communities, interest groups, social partners, media may all contribute to the poverty reduction drive via revelation of forms of poverty manifestation, disclosure of reasons and demonstration of significance of the problem. Media may disclose the significance of the problem in real earnest, and may also motivate the youth and adults to study and improve professional skills, instil confidence in people’s strengths, propagate the cases of success. Fast and effective activities can hardly be imagined without the above public actions, even from the public institutions directly in charge of poverty reduction drive.

Several efforts of public institutions or various public and private initiatives may be inefficient and ineffective; meanwhile, the integration and coordination of those efforts may evolve into a solid tool for the reduction of poverty and social exclusion and enhancement of social cohesion. So far the coordination of above activities in Lithuania has been largely fragmented and tended to cover individual cases or spheres of activities.

The Council for the Affairs of Disabled to the Government of the Republic of Lithuania, which coordinates medical, professional and social rehabilitation and social integration of the disabled, is hailed as an example of successful common activities. The council is established by principle of parity from the representatives of republican public organizations for the disabled and public institutions, and its operations are governed by legislation. The Council for the Affairs of Disabled assists the government in the elaboration of social policy meeting the needs of the disabled, coordinates the programs for social integration of the disabled implemented by relevant NGOs, ministries, governmental institutions and other establishments, boosts efforts for more active participation of disabled in the solution of all questions related with their life and activities. Moreover, the Council coordinated and controls the National Programme on Social Integration of Disabled Persons approved in 2002 for the period of 2003-2012.

To implement its youth policy, in 1996 the Government of the Republic of Lithuania established the State Council of Youth Affairs (hereinafter - SCYA) chaired by the secretary of Ministry of Social Security and Labour. SCYA is a joint authority established under the parity principles
from the representatives of Ministries of Social Security and Labour, Healthcare, Interior, Education and Science, and Justice, and the representatives of youth organizations.

Coordination of assurance of equal opportunities for women and men in all spheres of activities is implemented by the Commission on Equal Opportunities for Women and Men, which was established under the 7 March 2000 resolution No. 27 of the Government of the Republic of Lithuania and comprised representatives of all ministries and the Department of Statistics. Thus, each ministry’s staff has a member charged with the issues of equal opportunities for sexes within the sphere covered by the ministry, which leads to the all-in integration of sex aspect in line with the Law on Equal Opportunities for Women and Men. The commission pursues close cooperation with the Office of the Equal Opportunities Ombudsman, public organizations, and social partners.

Rural Community Partnership Programme, funded by the UK International Development Department and targeting the reduction of poverty and social exclusion at rural locations, is a perfect example of successful cooperation between various parties concerned on the local level. The three-year project, which is implemented at three target districts of Vilnius region (Salcininkai, Svencionys and Ukmerge), pursues to ensure the improvement in the living standards for rural residents and enhancement of work competences of rural population, development of abilities to manage the changes successfully. The project is based on the structure of partnership groups, which comprises equal numbers of representatives from local authorities, governmental institutions, economic development agencies (which, in their turn, cover regional and local development agencies, business support agencies, and representatives of local employers’ concerned), local communities and non-governmental organizations. The project strives to encourage cooperation between district and national institutions combining the bottom-up and top-down principles. Upon completion of audit of local needs, the partnership groups worked out local development strategies for the reduction of poverty and social exclusion, which will guide the implementation of small-scale community projects initiated by community groups, NGOs, municipal and private sector representatives. The projects are selected under the established criteria by the Partnership Group, which also controls project implementation.

Agreements signed in late 2002 between the United Nations Development Programme (hereinafter – UNDP) and the Ministry of Social Security and Labour and between UNDP and Non-Governmental Organization Information and Support Centre (hereinafter - NGOISC) concerning the implementation of project on Strengthening of NGO Abilities in Pursuit of Poverty Reduction in Lithuania are of utmost importance for cooperation between the state and NGOs on the efforts to reduce poverty and social exclusion.

With the backing of financial and methodical assistance of UNDP, Lithuania plans to establish a country-wide structural network of NGOs involved in fight against poverty, organize training and seminars on the issues of partnership, cooperation and social dialogue for the members of the network, and develop their skills of social initiative management in fight against poverty and social exclusion. Lithuania has already gained significant experience in this respect as the country has established a structural network of advisory agencies, and has trained over 200 volunteers able to provide the required information for socially excluded individuals, which complies with the essential provisions of European Declaration on Advisory Bodies. In pursuit of structurally effective social dialogue between the Ministry of Social Security and Labour and NGOs, Lithuania is establishing a secretariat of network of non-governmental organizations involved in fight against poverty (the functions are fulfilled by LGPS and NGOISC). Backed up by LGPS and NGOISC, the authorities plan to establish advisory bodies at all Lithuania’s regions and charge these agencies with the organization of meetings and discussions between the members of NGO network and communities, encouragement of community initiatives and mediation between the public, local governance institutions and the society. The NGO network and the Ministry of Social Security and Labour would act as social partners with respect to
The network of non-governmental organizations fighting against poverty should become a solid partner of Ministry of Social Security and Labour for the compilation of Social Map and implementation of measures for the reduction of poverty and social exclusion, execution of poverty monitoring, analysis of results achieved and development of national poverty reduction policy.

Lithuania has already launched numerous measures in pursuit of expansion of social dialogue. Competent authorities strive to strengthen non-governmental organizations via the organization of training, improvement of legal framework regulating the activities of NGOs. The Law on Residential Income Tax, which came into effect in 2003, offered a possibility to transfer up to 2 percent of income tax amount to a charity non-profit organization or budget establishment under relevant requests from residents.

Efforts to encourage social partnership were also backed up by the government-approved measure plan for the development of social partnership in 2003-2004 (the main objectives of the plan are the following: the system of social partnership and its improvement, improvement of legal and normative framework of social partnership, improvement of collective labour relations, information and education of social partners).

The following objectives have been envisioned in pursuit of strengthening of abilities of NGOs and social partners to participate in the process of fight against poverty and social exclusion:

- to encourage mutual cooperation between NGOs;
- to improve NGO legal framework;
- to create an NGO development agency for the enhancement of abilities of those organisations;
- to encourage the creation of NGO associations and networks in accordance with interests and civil groups;
- to include representatives of NGOs into the task groups organized by central and regional authorities and charged with the arrangement of specific programmes and projects targeting the reduction of poverty and social exclusion. To train NGOs in the provision of information for the documents similar in nature to the national action plan, poverty reduction strategy, etc.;
- to include representatives of NGOs into the monitoring and adjustment of national action plan;
- to implement the purchase of services from NGOs;
- to support the initiatives of NGOs concerning the organization of voluntary activities, volunteer training and volunteer support measures;
- to inform the society about the activities of NGOs via Internet databases and mass media, to spread positive experience gained by NGOs;
- to support and encourage NGOs to join the networks of EU NGOs, active in the sectors of fight against poverty and social exclusion. Participation in the activities of EU networks would enable local NGOs to gain important knowledge and contribute to the development of policy at the EU level;
- to encourage the integration of trade unions and business sector in fight against poverty and social exclusion, to promote the expansion of cooperative social responsibility. To enhance the organization of training seminars, conferences, training-consultative and
information publications, radio broadcasts targeting social partners. These measures will contribute to the expansion of social dialogue, strengthening of negotiating skills and make wider use of possibilities offered by activities performed;

- to implement the measures established in the measure plan of social partnership development in 2003-2004.

Possibilities of timely and adequate response to poverty and social exclusion are largely dependent on the accessibility, high quality and compatibility of relevant statistical data. Moreover, comparability of statistical data with the respective data from other countries is also important. The task has been assigned with the Department of Statistics under the Government of the Republic of Lithuania. The main sources of data are the following: household budget research, population employment research and population census, with the population employment questionnaire being compliance with the Eurostat requirements.

The methodology applied for the calculation of relative poverty and inequality indices on the basis of household budget research data differs from the methodology recommended by Eurostat for the assessment of social exclusion. Moreover, these surveys do not suffice for the assessment of spread of poverty within distinct population groups, as the number of households from those groups in the survey is not big enough. To solve these problems and upgrade the statistical data until full compliance with the EU requirements, the income and living standard survey will be launched from 2005. This research will provide the data required for the estimation of both monetary and non-monetary living standard and social exclusion indices. Moreover, the research will evolve into a source of information required for the estimation of long-term (permanent) poverty, the data on which are unavailable at present (see Table 27 of Appendix for the EU social inclusion indices, the estimation of which has already been launched or will be launched in future).

4.5. Participation of Local and Regional Institutions in Arrangement, Implementation and Control of National Action Plan

The majority of measures prescribed and launched in pursuit of reduction of poverty and social exclusion according to the functions delegated to and assigned to local authorities are implemented at the level of self-governance. Accordingly, the task group charged with the arrangement of national action plan included a representative of Lithuanian association of Local Authorities, which coordinates the activities of local authorities and represent their interests at public authorities and administration institutions. Representatives of self-governance institutions will also be included into the prospective commission to be charged with the supervision of implementation of the national action plan for fight against poverty and social exclusion.

4.6. Control over Plan Implementation

The national action plan for fight against poverty and social exclusion is the first to be worked out by Lithuania, which is why the mechanism for the control and evaluation of implementation thereof has not been created as yet. The arrangement of the national action plan is the responsibility of Ministry of Social Security and Labour of the Republic of Lithuania, which is also in charge of efforts to coordinate the reduction of poverty. The ministry is also responsible for the supervision of implementation of the national action plan. To fulfil the task, the ministry will establish a commission to supervise the implementation of the national action plan for fight against poverty and social exclusion, which will comprise the representatives of the government, local authorities, the Office of Equal Opportunities Ombudsman, social partners and non-governmental organizations. The commission will also include independent experts and scientists.
5. GOOD PRACTICE

Lithuanian Citizens Advice Union: Enhancement of Information Accessibility

Established in 1998 with the assistance of the Ministry of Social Security and Labour, the Lithuanian Citizens Advice Union (hereinafter - LGPS) is a non-governmental, voluntary, non-profit organization offering Lithuania’s population free consultations and information about their rights, duties and opportunities. The activities of LGPS comply both with the provisions of the European Commission’s and the European Parliament’s directives concerning the expansion of advisory agencies, and with the strategies and programmes implemented by the Lithuanian state in pursuit of reduction of social exclusion among local residents. The real information and consulting work was launched on the basis of the assessment concerning the population’s needs for information, which was conducted back in 1999.

The central bureau of LGPS is headquartered in Vilnius. Other cities and towns accommodate 16 LGPS offices and 11 advisory bureaus. LGPS strives to extend its reach up to the farthest locations and villages as it recognizes that people residing far from the capital are in greater need of relevant information sources.

LGPS has developed an information system, which is a foundation for consultations covering the majority of information blocs, including social security (pensions, benefits, compensations, credits, tax development advices, etc.), healthcare, labour, human rights, education, family, leisure, etc. Information system is updated and upgraded regularly with consideration of the latest legislation.

LGPS maintains cooperation with governmental and non-governmental institutions, including the parliamentary Committee on Human Rights, Information Society Development Committee, Information Technologies Department, Ministry of Social Security and Labour, European Committee under the Government of the Republic of Lithuania, Lithuanian National Labour Exchange, the Association of Local Authorities, the Lawyers’ Association, higher education institutions, etc.; submits proposals to the parliament, government and local authorities concerning the development of social policy; takes part in the working out of laws and secondary legislation.

LGPS initiated the signing of memorandum on cooperation between public advisory agencies of ten Central European countries and the establishment of NGO consortium of those states in Vilnius in 2002. The union strives to implement joint projects, which target the exchange of information, essential improvement of services offered to residents, improvement of legal situation, and encouragement of all population to take part in the creation of knowledge society.

Regular training and improvement of professional skills of volunteers with the union is seen as one of the most significant bars of activities, which predetermines the quality of services offered to residents, i.e., the accuracy and usefulness of consulting. Over two hundred volunteers have been trained under a special UK programme: consultants, training experts and managers of advisory bureaus work for the Lithuanian Citizens Advice Union on a voluntary basis. While attending different courses and seminars, they have accumulated knowledge of information management, developed the core communication and consultation skills, principles of work with the LGPS information system. The employees and volunteers with LGPS have already provided thousands of consultations over various issues to all and any applicants, disregarding their nationality, social status, political views or religious beliefs.
**Window to the Future Alliance: Development of Information Society**

Window to the Future alliance, a consortium established for business support for the development of information society (hereinafter – Window to the Future) unifies Lithuania’s business leaders, including major banks, IT companies, wireless and fixed-line operators. In 2002 the alliance launched a public Internet centre project, targeting the expansion of public and business movement on the establishment and utilization of public Internet access centres. While implementing the projects, Window to the Future established 72 public Internet centres (hereinafter – PIC) in 2002. In late 2002, the PIC project was joined by Lithuanian government as the Window to the Future and the Ministry of Interior of the Republic of Lithuania concluded an agreement on cooperation in the creation of integral strategy on the establishment of public Internet centres, coordinating the establishment of the centres at different Lithuania’s locations. The consortium and the authorities approved of the allocation of funds required for the establishment of PIC for 2003, selected 100 PIC from the applications received and confirmed the list of the centres, and announced two open tenders for the Internet connection services and procurement of hardware.

All in all, Lithuania accommodates 172 public Internet centres established by the Window to the Future. Public Internet centres established within the framework of PIC project have been created at 44 libraries, 10 offices of Lithuanian Post Office, 8 local administrations, 23 outlets of SIMAS trade chain and 15 various organizations. Almost a half of public Internet centres of Window to the Future alliance have been established at small locations with the population of 400–4,500. All in all, public Internet centres of Window to the Future alliance have been created at 58 Lithuania’s municipalities.

To give a helping hand for the administration of public Internet centres, the Window to the Future alliance has developed a software application, which enables to monitor the operation of PCs installed at all Internet centres from a single master computer.

**Local Employment Initiatives: Creation of Jobs for the Weakest and Least Protected Persons**

Implementation of first projects of Local Employment Initiatives (hereinafter – LEI) was launched in Lithuania in 1999. Legal procedures governing the implementation of those projects were worked out in 2000. The analysis of problems and possibilities to stir the initiatives of local community for the creation of jobs, which was conducted in the same year, led to the determination and subsequent legalization of the following key objectives of LEI project implementation:

- to create new jobs in pursuit of boosting of population employment and reduction of long-term unemployment;
- to offer greater possibilities for local residents to participate in economic activities via the adjustment of economic and social objectives, to assist the population in settlement of social and economic problems independently;
- to reduce vulnerability of structural reorganization of the economy of distinct locations, to enhance the opportunities for location development;
- to assist the formation of more active and mature society able to settle its social and economic problems independently.
The procedure for the implementation of local employment initiative projects was approved in 2001. The procedure defines the criteria for the selection and evaluation of projects, organizational structure of implementation and the functions of institutions taking part in the implementation process, requirements for state support granted for the creation of jobs, control and monitoring procedures.

The operations of labour exchanges are backed up by project selection and evaluation commissions representing the social partners. The commissions shall evaluate and select eligible project applications following the established criteria and considering the situation on the local labour market. Projects that meet the requirements prescribed and gain the assessment of commissions are submitted to the Lithuanian Labour Exchange. Project Supervision Committee, which functions under the Lithuanian Labour Exchange and represents social partners, compiles the final list of projects eligible for financing. The committee passes the ruling concerning the list considering the quality of projects and financial possibilities, and giving the priority for lower prices of jobs and greater contributions by project executors.

LEI projects are funded from the national budget, the budgets of Employment Fund and local authorities. Projects that pass the selection procedure are eligible for subsidies allocated for the creation of new jobs, which are offered for jobseekers, giving preference for most vulnerable persons on the local labour market, i.e., long-term jobless, disabled individuals, etc. The project executor shall oblige to offer the new jobs for jobseekers and retain the jobs for those persons for a three-year period. The beneficiary, which is a small or mid-scale business entity, shall cover at least 35 percent of funds earmarked for the implementation of the project. The maximum state support per project may not exceed 100,000 euros, whereas the assistance for the creation of one job may not be greater than 5,200 euros. Local labour exchanges are responsible for the administration of project administration and training of project developers.

Since 2001, projects have been implemented each year at the high-unemployment territories with the jobless rate exceeding the national average by 1.5 times. Within a three-year period, (in 2001-2003) the state subsidies led to the establishment of 1,240 jobs for the unemployed.

Successful implementation of projects in 2001-2003 was predetermined by the following:

- organization of annual training for project developers and administrators pursuant to the training programmes that focus on project development, fund management, monitoring, control and reporting;

- precise definition of functions assigned for project implementation organizers (Lithuanian labour exchanges, territorial labour exchanges, the Ministry of Social Security and Labour, commissions under territorial labour exchanges, the Committee under the Lithuanian Labour Exchange) and determination of explicit responsibility thereof;

- compliance of projects with the needs of a local community.
ANNEX – STATISTICAL TABLES AND CHARTS

Table 1. Changes in gross domestic product (compared to corresponding period of previous year, percent)

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<tr>
<th></th>
<th>1998</th>
<th>1999</th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lithuania*</td>
<td>7.3</td>
<td>-1.7</td>
<td>3.9</td>
<td>6.4</td>
<td>6.8</td>
<td>9.0</td>
</tr>
<tr>
<td>EU average</td>
<td>2.9</td>
<td>2.9</td>
<td>3.6</td>
<td>1.7</td>
<td>1.0</td>
<td>…</td>
</tr>
</tbody>
</table>

* At constant prices 2000.


Table 2. GDP per capita expressed in Purchasing Power Standards (calculated on the basis of Purchasing Power Parities)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Lithuania</td>
<td>5,780</td>
<td>6,410</td>
<td>7,010</td>
<td>7,090</td>
<td>7,750</td>
<td>8,490</td>
<td>9,190</td>
<td>10,170</td>
<td>44</td>
</tr>
<tr>
<td>New Member States-10</td>
<td>…</td>
<td>…</td>
<td>…</td>
<td>9,950</td>
<td>10,470</td>
<td>10,960</td>
<td>11,134</td>
<td>49</td>
<td>…</td>
</tr>
<tr>
<td>EU 15</td>
<td>17,650</td>
<td>18,590</td>
<td>19,400</td>
<td>20,340</td>
<td>21,680</td>
<td>22,400</td>
<td>23,110</td>
<td>23,200</td>
<td>100</td>
</tr>
<tr>
<td>EU-25</td>
<td>…</td>
<td>…</td>
<td>18,470</td>
<td>19,400</td>
<td>20,630</td>
<td>21,300</td>
<td>21,990</td>
<td>22,280</td>
<td>92</td>
</tr>
</tbody>
</table>

* Provisional data.


Table 3. GDP Forecast

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>GDP at constant prices 2000 (LTL million)</td>
<td>48,429</td>
<td>51,701</td>
<td>56,335</td>
<td>60,274</td>
<td>64,680</td>
<td>68,938</td>
<td>73,273</td>
<td></td>
</tr>
<tr>
<td>Real growth, percent</td>
<td>6.4</td>
<td>6.8</td>
<td>9.0</td>
<td>7.0</td>
<td>7.3</td>
<td>6.6</td>
<td>6.3</td>
<td></td>
</tr>
</tbody>
</table>


Table 4. Birth and mortality rates and natural increase of population

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Live births</td>
<td>56,868</td>
<td>39,066</td>
<td>37,812</td>
<td>37,019</td>
<td>36,415</td>
<td>34,149</td>
<td>31,546</td>
<td>30,014</td>
<td>30,516</td>
</tr>
<tr>
<td>Baby deaths</td>
<td>39,760</td>
<td>42,896</td>
<td>41,143</td>
<td>40,757</td>
<td>40,003</td>
<td>38,919</td>
<td>40,399</td>
<td>41,072</td>
<td>41,028</td>
</tr>
<tr>
<td>of them babies under 1 year</td>
<td>581</td>
<td>395</td>
<td>391</td>
<td>343</td>
<td>315</td>
<td>294</td>
<td>250</td>
<td>238</td>
<td>206</td>
</tr>
<tr>
<td>Natural Increase of population</td>
<td>17,108</td>
<td>-3,830</td>
<td>-3,331</td>
<td>-3,738</td>
<td>-3,588</td>
<td>-4,770</td>
<td>-8,853</td>
<td>-11,058</td>
<td>-10,512</td>
</tr>
</tbody>
</table>

Indicators per 1,000 population:

<table>
<thead>
<tr>
<th></th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Live births</td>
<td>15.4</td>
<td>10.8</td>
<td>10.6</td>
</tr>
<tr>
<td>Baby deaths</td>
<td>10.8</td>
<td>11.9</td>
<td>11.5</td>
</tr>
<tr>
<td>Natural increase of population</td>
<td>4.6</td>
<td>-1.1</td>
<td>-0.9</td>
</tr>
<tr>
<td>Deaths of babies under 1 year per 1,000 newborn babies</td>
<td>10.3</td>
<td>10</td>
<td>10.3</td>
</tr>
</tbody>
</table>

* Provisional data.
Table 5. Urban and rural population

<table>
<thead>
<tr>
<th>Year</th>
<th>Population, thousand</th>
<th>Density of population, km²</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>TOTAL</td>
<td>URBAN</td>
</tr>
<tr>
<td>1989*</td>
<td>3,674.8</td>
<td>2,486.8</td>
</tr>
<tr>
<td>2001**</td>
<td>3,481.3</td>
<td>2,330.2</td>
</tr>
<tr>
<td>2003**</td>
<td>3,454.1</td>
<td>2,307.4</td>
</tr>
</tbody>
</table>

* Data of Population Census.
** Average annual.

Table 6. Population by age groups and gender

<table>
<thead>
<tr>
<th>By age groups</th>
<th>1995</th>
<th>2003</th>
<th>2003</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>Men</td>
<td>Women</td>
<td>Total</td>
</tr>
<tr>
<td>under 15</td>
<td>21.9%</td>
<td>18.3%</td>
<td>20.1%</td>
<td>16.7%</td>
</tr>
<tr>
<td>15-59</td>
<td>60.7%</td>
<td>61.7%</td>
<td>64.3%</td>
<td>59.4%</td>
</tr>
<tr>
<td>60-64</td>
<td>5.2%</td>
<td>5.3%</td>
<td>4.8%</td>
<td>5.8%</td>
</tr>
<tr>
<td>65 and over</td>
<td>12.2%</td>
<td>14.7%</td>
<td>10.8%</td>
<td>18.1%</td>
</tr>
<tr>
<td></td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Source: the Department of Statistics under the Government of the Republic of Lithuania

Table 7. The rate of activity and employment by sex (percent)

<table>
<thead>
<tr>
<th></th>
<th>ACTIVITY RATE</th>
<th>EMPLOYMENT RATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL</td>
<td>59.7</td>
<td>58.4</td>
</tr>
<tr>
<td>15-24</td>
<td>36.3</td>
<td>32.6</td>
</tr>
<tr>
<td>15-64</td>
<td>70.5</td>
<td>69.4</td>
</tr>
<tr>
<td>MALES</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>66.0</td>
<td>64.9</td>
</tr>
<tr>
<td>15-24</td>
<td>41.7</td>
<td>37.3</td>
</tr>
<tr>
<td>15-64</td>
<td>74.2</td>
<td>73.4</td>
</tr>
<tr>
<td>FEMALES</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>54.3</td>
<td>53.0</td>
</tr>
<tr>
<td>15-24</td>
<td>30.6</td>
<td>27.8</td>
</tr>
<tr>
<td>15-64</td>
<td>67.1</td>
<td>65.8</td>
</tr>
</tbody>
</table>

Activity rate – ratio of labour force to residents of surveyed age group.
Employment rate – ratio of working persons to residents of surveyed age group (since 2000 surveys include residents of 15 years and above).

### Table 8. Unemployment rate by age and sex (average annual; percent)

<table>
<thead>
<tr>
<th>Age groups</th>
<th>1998</th>
<th>1999</th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL</td>
<td>13.2</td>
<td>14.6</td>
<td>16.4</td>
<td>17.4</td>
<td>13.8</td>
<td>12.4</td>
</tr>
<tr>
<td>15–19</td>
<td>30.2</td>
<td>32.3</td>
<td>44.9</td>
<td>46.5</td>
<td>38.4</td>
<td>45.2</td>
</tr>
<tr>
<td>20–24</td>
<td>20.9</td>
<td>25.8</td>
<td>27.0</td>
<td>28.6</td>
<td>20.9</td>
<td>21.8</td>
</tr>
<tr>
<td>15-24</td>
<td>22.9</td>
<td>27.2</td>
<td>30.0</td>
<td>31.1</td>
<td>23.0</td>
<td>24.8</td>
</tr>
<tr>
<td>25–29</td>
<td>14.0</td>
<td>14.5</td>
<td>14.8</td>
<td>16.8</td>
<td>13.5</td>
<td>12.1</td>
</tr>
<tr>
<td>30–34</td>
<td>15.5</td>
<td>17.0</td>
<td>19.2</td>
<td>15.8</td>
<td>11.9</td>
<td>10.5</td>
</tr>
<tr>
<td>35–39</td>
<td>11.6</td>
<td>14.8</td>
<td>14.7</td>
<td>16.4</td>
<td>13.3</td>
<td>10.4</td>
</tr>
<tr>
<td>40–44</td>
<td>10.4</td>
<td>13.6</td>
<td>13.4</td>
<td>16.8</td>
<td>12.8</td>
<td>11.4</td>
</tr>
<tr>
<td>45–49</td>
<td>11.8</td>
<td>11.1</td>
<td>15.3</td>
<td>16.7</td>
<td>12.9</td>
<td>10.5</td>
</tr>
<tr>
<td>50–54</td>
<td>13.1</td>
<td>11.4</td>
<td>16.1</td>
<td>16.8</td>
<td>15.4</td>
<td>12.4</td>
</tr>
<tr>
<td>55–59</td>
<td>8.2</td>
<td>7.5</td>
<td>13.1</td>
<td>14.8</td>
<td>12.6</td>
<td>11.5</td>
</tr>
<tr>
<td>60–64</td>
<td>2.1</td>
<td>1.8</td>
<td>5.8</td>
<td>9.1</td>
<td>8.5</td>
<td>11.5</td>
</tr>
<tr>
<td>65+</td>
<td>0.2</td>
<td>...</td>
<td>2.5</td>
<td>1.1</td>
<td>0.2</td>
<td>5.4</td>
</tr>
<tr>
<td>MALES</td>
<td>14.7</td>
<td>16.2</td>
<td>18.8</td>
<td>19.9</td>
<td>14.6</td>
<td>12.7</td>
</tr>
<tr>
<td>15-24</td>
<td>25.5</td>
<td>29.5</td>
<td>31.9</td>
<td>36.1</td>
<td>23.1</td>
<td>22.5</td>
</tr>
<tr>
<td>FEMALES</td>
<td>11.6</td>
<td>13.0</td>
<td>13.9</td>
<td>14.7</td>
<td>12.9</td>
<td>12.2</td>
</tr>
<tr>
<td>15-24</td>
<td>19.3</td>
<td>24.1</td>
<td>27.4</td>
<td>24.1</td>
<td>22.9</td>
<td>28.1</td>
</tr>
</tbody>
</table>


### Table 9. Employment, participation and unemployment in 2002 (percent)

<table>
<thead>
<tr>
<th></th>
<th>Employment rate 15-64</th>
<th>Activity rate 15-64</th>
<th>Total unemployment rate</th>
<th>Youth unemployment rate</th>
<th>Long-term unemployment rate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>Men</td>
<td>Women</td>
<td>Total</td>
<td>Men</td>
</tr>
<tr>
<td>LT</td>
<td>60.6</td>
<td>64.3</td>
<td>57.2</td>
<td>69.8</td>
<td>74.3</td>
</tr>
<tr>
<td>EU15</td>
<td>64.1</td>
<td>73.1</td>
<td>55.0</td>
<td>69.2</td>
<td>78.1</td>
</tr>
</tbody>
</table>

Source: Employment, activity and long-term unemployment rates from the 2002 Spring Community LFS, Eurostat. Data for EU15 (LFS annual average), Structural Indicators, Eurostat. Total unemployment rate and youth unemployment rate from the 2002 harmonised unemployment series, Eurostat.
<table>
<thead>
<tr>
<th>Table 10. Unemployed persons by age, sex and term of unemployment (average of years, thousand)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>1998</td>
</tr>
<tr>
<td>--------</td>
</tr>
<tr>
<td>226.7</td>
</tr>
<tr>
<td>1 year and above: 123.8</td>
</tr>
<tr>
<td>2 years and above: 67.1</td>
</tr>
<tr>
<td>15–24 years of age: 48.7</td>
</tr>
<tr>
<td>1 year and above: 21.6</td>
</tr>
<tr>
<td>2 years and above: 9.4</td>
</tr>
<tr>
<td>25–49 years of age: 146.4</td>
</tr>
<tr>
<td>1 year and above: 81.8</td>
</tr>
<tr>
<td>2 years and above: 46.6</td>
</tr>
<tr>
<td>50–64 years of age: 31.5</td>
</tr>
<tr>
<td>1 year and above: 20.5</td>
</tr>
<tr>
<td>2 years and above: 11.0</td>
</tr>
<tr>
<td>Males: 130.9</td>
</tr>
<tr>
<td>1 year and above: 69.2</td>
</tr>
<tr>
<td>2 years and above: 38.5</td>
</tr>
<tr>
<td>15–24 years of age: 31.8</td>
</tr>
<tr>
<td>1 year and above: 14.2</td>
</tr>
<tr>
<td>2 years and above: 6.5</td>
</tr>
<tr>
<td>25–49 years of age: 82.6</td>
</tr>
<tr>
<td>1 year and above: 45.1</td>
</tr>
<tr>
<td>2 years and above: 25.8</td>
</tr>
<tr>
<td>50–64 years of age: 16.4</td>
</tr>
<tr>
<td>1 year and above: 9.8</td>
</tr>
<tr>
<td>2 years and above: 6.1</td>
</tr>
<tr>
<td>Females: 95.8</td>
</tr>
<tr>
<td>1 year and above: 54.6</td>
</tr>
<tr>
<td>2 years and above: 28.7</td>
</tr>
<tr>
<td>15–24 years of age: 16.9</td>
</tr>
<tr>
<td>1 year and above: 7.3</td>
</tr>
<tr>
<td>2 years and above: 3.0</td>
</tr>
<tr>
<td>25–49 years: 63.8</td>
</tr>
<tr>
<td>1 year and above: 36.6</td>
</tr>
<tr>
<td>2 years and above: 20.8</td>
</tr>
<tr>
<td>50–64 years: 15.1</td>
</tr>
<tr>
<td>1 year and above: 10.6</td>
</tr>
<tr>
<td>2 years and above: 4.9</td>
</tr>
</tbody>
</table>

**Source:** Data of the survey on population employment conducted by Statistics Lithuania at the Government of the Republic of Lithuania.
Table 11. **Unemployment by education and age, percent**

<table>
<thead>
<tr>
<th></th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td>16.4</td>
<td>17.4</td>
<td>13.8</td>
<td>12.4</td>
</tr>
<tr>
<td>Higher education</td>
<td>8.6</td>
<td>8.4</td>
<td>6.8</td>
<td>6.5</td>
</tr>
<tr>
<td>Secondary</td>
<td>17.6</td>
<td>19.3</td>
<td>14.9</td>
<td>13.8</td>
</tr>
<tr>
<td>Basic, primary</td>
<td>23.8</td>
<td>23.6</td>
<td>20.4</td>
<td>17.5</td>
</tr>
<tr>
<td><strong>15-24 years</strong></td>
<td>30.0</td>
<td>31.1</td>
<td>23.0</td>
<td>24.8</td>
</tr>
<tr>
<td>Higher education</td>
<td>27.2</td>
<td>24.7</td>
<td>19.5</td>
<td>16.3</td>
</tr>
<tr>
<td>Secondary</td>
<td>25.1</td>
<td>31.3</td>
<td>21.2</td>
<td>25.1</td>
</tr>
<tr>
<td>Basic, primary</td>
<td>36.3</td>
<td>34.5</td>
<td>27.8</td>
<td>32.2</td>
</tr>
<tr>
<td><strong>25-49 years</strong></td>
<td>15.5</td>
<td>16.5</td>
<td>12.9</td>
<td>11.0</td>
</tr>
<tr>
<td>Higher education</td>
<td>7.1</td>
<td>6.7</td>
<td>5.5</td>
<td>5.1</td>
</tr>
<tr>
<td>Secondary</td>
<td>17.4</td>
<td>18.7</td>
<td>14.3</td>
<td>12.7</td>
</tr>
<tr>
<td>Basic, primary</td>
<td>26.0</td>
<td>27.2</td>
<td>22.2</td>
<td>17.5</td>
</tr>
<tr>
<td><strong>50-64 years</strong></td>
<td>13.5</td>
<td>15.0</td>
<td>13.4</td>
<td>11.9</td>
</tr>
<tr>
<td>Higher education</td>
<td>6.0</td>
<td>8.8</td>
<td>6.6</td>
<td>7.5</td>
</tr>
<tr>
<td>Secondary</td>
<td>15.3</td>
<td>17.3</td>
<td>15.0</td>
<td>13.4</td>
</tr>
<tr>
<td>Basic, primary</td>
<td>16.8</td>
<td>15.7</td>
<td>15.9</td>
<td>12.4</td>
</tr>
</tbody>
</table>

*Source:* data were submitted by the Department of Statistics under the Government of the Republic of Lithuania.

*Note:* The 2000 and 2002 data are calculated based on the 2001 population census, which means that they are not comparable with the data of the labour force surveys in previous years.

Table 12. **Pre-school institutions (at the end of the year)**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-school institutions</td>
<td>1681</td>
<td>741</td>
<td>724</td>
<td>719</td>
<td>713</td>
<td>714</td>
<td>699</td>
<td>686</td>
<td>672</td>
</tr>
<tr>
<td>Urban</td>
<td>813</td>
<td>502</td>
<td>491</td>
<td>488</td>
<td>495</td>
<td>501</td>
<td>495</td>
<td>493</td>
<td>489</td>
</tr>
<tr>
<td>Rural</td>
<td>868</td>
<td>239</td>
<td>233</td>
<td>231</td>
<td>218</td>
<td>213</td>
<td>204</td>
<td>193</td>
<td>183</td>
</tr>
<tr>
<td>Children in pre-school institutions, thousands</td>
<td>163.2</td>
<td>90.3</td>
<td>96.4</td>
<td>96.9</td>
<td>96.1</td>
<td>90.1</td>
<td>89.8</td>
<td>90.9</td>
<td>89.5</td>
</tr>
<tr>
<td>Urban</td>
<td>137.1</td>
<td>81.2</td>
<td>86.3</td>
<td>85.7</td>
<td>85.4</td>
<td>80.6</td>
<td>80.3</td>
<td>80.9</td>
<td>80.1</td>
</tr>
<tr>
<td>Rural</td>
<td>26.1</td>
<td>9.1</td>
<td>10.1</td>
<td>11.2</td>
<td>10.7</td>
<td>9.5</td>
<td>9.5</td>
<td>10.0</td>
<td>9.4</td>
</tr>
</tbody>
</table>


Table 13. **Drop-outs from educational institutions**

<table>
<thead>
<tr>
<th>Academic year</th>
<th>Basic schools (day)</th>
<th>Vocational colleges</th>
<th>Non-university tertiary education institutions</th>
<th>Universities</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>%</td>
<td>Number</td>
<td>%</td>
</tr>
<tr>
<td>1991/1992</td>
<td>10,057</td>
<td>2.1</td>
<td>3,871</td>
<td>...</td>
</tr>
<tr>
<td>1992/1993</td>
<td>11,089</td>
<td>2.2</td>
<td>4,856</td>
<td>11.4</td>
</tr>
<tr>
<td>1993/1994</td>
<td>4,473</td>
<td>0.9</td>
<td>4,579</td>
<td>9.9</td>
</tr>
<tr>
<td>1994/1995</td>
<td>6,263</td>
<td>1.2</td>
<td>3,840</td>
<td>8.4</td>
</tr>
<tr>
<td>1995/1996</td>
<td>6,706</td>
<td>1.3</td>
<td>4,163</td>
<td>8.4</td>
</tr>
<tr>
<td>1996/1997</td>
<td>6,081</td>
<td>1.2</td>
<td>4,730</td>
<td>9.1</td>
</tr>
<tr>
<td>1997/1998</td>
<td>5,108</td>
<td>0.9</td>
<td>4,896</td>
<td>9.0</td>
</tr>
<tr>
<td>1998/1999</td>
<td>5,127</td>
<td>0.9</td>
<td>5,144</td>
<td>9.1</td>
</tr>
<tr>
<td>1999/2000</td>
<td>4,828</td>
<td>0.9</td>
<td>5,410</td>
<td>10.3</td>
</tr>
<tr>
<td>2000-2001</td>
<td>5,502</td>
<td>1.0</td>
<td>5,558</td>
<td>11.8</td>
</tr>
<tr>
<td>2001-2002</td>
<td>5,638</td>
<td>1.0</td>
<td>6,383</td>
<td>14.1</td>
</tr>
<tr>
<td>Change: 1991-2002</td>
<td>-4,419</td>
<td>-1.1</td>
<td>+2,512</td>
<td>+2.7</td>
</tr>
</tbody>
</table>

68
Table 14. **Monthly expenditure on recreation and culture per household member, in LTL**

<table>
<thead>
<tr>
<th></th>
<th>1999</th>
<th>2000</th>
<th>2002</th>
<th>2003*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Urban households</td>
<td>19</td>
<td>19.4</td>
<td>22.4 (26.6*)</td>
<td>26.7</td>
</tr>
<tr>
<td>Rural households</td>
<td>7.1</td>
<td>6.6</td>
<td>8.8 (11.0*)</td>
<td>9.3</td>
</tr>
</tbody>
</table>

* Due to methodological changes in Household Budget Survey, the consumption expenditure for 2003 cannot be compatible with that of previous year. In view of a possible effect of the changed methodology on the results of the survey, the consumption expenditure for 2002 has been re-calculated (in brackets) for comparison with the data for 2003.

Table 15. **Average life expectancy for persons of a given age**

<table>
<thead>
<tr>
<th>Year</th>
<th>Men</th>
<th>Women</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0 year</td>
<td>60 years</td>
</tr>
<tr>
<td>Total</td>
<td>1990</td>
<td>66.44</td>
</tr>
<tr>
<td></td>
<td>1995</td>
<td>63.27</td>
</tr>
<tr>
<td></td>
<td>2000</td>
<td>66.77</td>
</tr>
<tr>
<td></td>
<td>2002</td>
<td>66.21</td>
</tr>
<tr>
<td>Urban</td>
<td>1990</td>
<td>67.54</td>
</tr>
<tr>
<td></td>
<td>1995</td>
<td>64.51</td>
</tr>
<tr>
<td></td>
<td>2000</td>
<td>68.00</td>
</tr>
<tr>
<td></td>
<td>2002</td>
<td>67.71</td>
</tr>
<tr>
<td>Rural</td>
<td>1990</td>
<td>64.06</td>
</tr>
<tr>
<td></td>
<td>1995</td>
<td>60.89</td>
</tr>
<tr>
<td></td>
<td>2000</td>
<td>64.56</td>
</tr>
<tr>
<td></td>
<td>2002</td>
<td>63.54</td>
</tr>
</tbody>
</table>


Table 16. **Tuberculosis incidence and prevalence rates**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Per 100,000 population:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Number of new cases</strong></td>
<td>62.5</td>
<td>75.2</td>
<td>76.3</td>
<td>69.1</td>
<td>63.0</td>
<td>63.7</td>
<td>60.4</td>
<td>65.1</td>
</tr>
<tr>
<td><strong>Ill people</strong></td>
<td>268</td>
<td>288.5</td>
<td>308</td>
<td>318.1</td>
<td>290.3</td>
<td>277.2</td>
<td>269.4</td>
<td>255.5</td>
</tr>
</tbody>
</table>

**Source:** Data of the tuberculosis register

Table 17. **Average monthly disposable income and consumption expenditure of households (per household member, in LTL)**

69
### Table 18. Average monthly disposable income by socio-economic group of the head of a household in 2003 (per household member, in LTL)

<table>
<thead>
<tr>
<th>Total disposable income</th>
<th>All households</th>
<th>Farmers</th>
<th>Employees</th>
<th>Self-employed persons</th>
<th>Pensioners</th>
<th>Other*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income from employment</td>
<td>457.6</td>
<td>329.5</td>
<td>491.9</td>
<td>600.4</td>
<td>402.3</td>
<td>285.6</td>
</tr>
<tr>
<td>Income from self-employment</td>
<td>253.2</td>
<td>33.9</td>
<td>378.2</td>
<td>90.4</td>
<td>21.1</td>
<td>26.7</td>
</tr>
<tr>
<td>income from self-employment (non-agricultural economic activity)</td>
<td>62.6</td>
<td>195.4</td>
<td>31.2</td>
<td>429.8</td>
<td>51.9</td>
<td>36.6</td>
</tr>
<tr>
<td>Income from agriculture</td>
<td>41.4</td>
<td>189.4</td>
<td>23.6</td>
<td>402.5</td>
<td>48.1</td>
<td>31.8</td>
</tr>
<tr>
<td>Income from rent</td>
<td>0.2</td>
<td>0.1</td>
<td>0.3</td>
<td>0.5</td>
<td>0.1</td>
<td>0.0</td>
</tr>
<tr>
<td>Income from property</td>
<td>0.5</td>
<td>0.1</td>
<td>0.6</td>
<td>0.0</td>
<td>0.8</td>
<td>0.0</td>
</tr>
<tr>
<td>Social transfers made for the following:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>in the old age</td>
<td>107.2</td>
<td>85.7</td>
<td>46.1</td>
<td>39.5</td>
<td>308.7</td>
<td>99.8</td>
</tr>
<tr>
<td>in cases of sickness</td>
<td>72.1</td>
<td>47.8</td>
<td>20.5</td>
<td>17.6</td>
<td>254.2</td>
<td>2.0</td>
</tr>
<tr>
<td>disabled persons</td>
<td>7.5</td>
<td>5.4</td>
<td>5.1</td>
<td>1.8</td>
<td>17.2</td>
<td>1.5</td>
</tr>
<tr>
<td>Survivors</td>
<td>11.2</td>
<td>9.9</td>
<td>7.2</td>
<td>6.8</td>
<td>25.3</td>
<td>5.7</td>
</tr>
<tr>
<td>family and children</td>
<td>2.3</td>
<td>4.4</td>
<td>1.8</td>
<td>1.6</td>
<td>2.9</td>
<td>4.1</td>
</tr>
<tr>
<td>Unemployed</td>
<td>9.2</td>
<td>13.1</td>
<td>8.6</td>
<td>9.4</td>
<td>3.5</td>
<td>47.5</td>
</tr>
<tr>
<td>in cases of social exclusion and other cases</td>
<td>1.7</td>
<td>1.6</td>
<td>1.1</td>
<td>1.3</td>
<td>1.6</td>
<td>14.2</td>
</tr>
<tr>
<td>Other income</td>
<td>33.8</td>
<td>14.2</td>
<td>35.5</td>
<td>40.3</td>
<td>19.6</td>
<td>122.5</td>
</tr>
</tbody>
</table>

* Households subsisting on transfers, fellowships etc.

### Table 19. Average monthly disposable income by types of households in 2003 (per household member, in LTL)

<table>
<thead>
<tr>
<th>A lone person</th>
<th>An adult with children under</th>
<th>Married couple</th>
<th>Married couple with</th>
<th>Other households</th>
<th>Other households</th>
</tr>
</thead>
</table>

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Table 20. Indicators of income disparities and at-risk-of-poverty rate are calculated in accordance with the Eurostat methodology, where the risk-of-poverty threshold is set at 60 percent of the median equivalent disposable income*

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Ratio of the share of upper and bottom income quintiles (quintile coefficient)</td>
<td>5.2</td>
<td>4.6</td>
<td>4.8</td>
<td>5.0</td>
<td>5.0</td>
<td>4.9</td>
<td>4.7</td>
<td>4.5</td>
</tr>
<tr>
<td>Risk of poverty rate before social transfers (social transfers exclude old age pensions), percent.</td>
<td>22</td>
<td>21</td>
<td>21</td>
<td>22</td>
<td>2</td>
<td>3</td>
<td>24</td>
<td>24</td>
</tr>
<tr>
<td>Risk of poverty rate after social transfers, percent.</td>
<td>18</td>
<td>15</td>
<td>17</td>
<td>17</td>
<td>17</td>
<td>17</td>
<td>17</td>
<td>15</td>
</tr>
<tr>
<td>Gini coefficient</td>
<td>0.31</td>
<td>0.30</td>
<td>0.30</td>
<td>0.31</td>
<td>0.31</td>
<td>0.31</td>
<td>0.30</td>
<td>0.29</td>
</tr>
</tbody>
</table>

* In calculating equivalent income, the modified OECD equivalence scale is applied, where the first adult in the household has a weight of 1 point, other adults are allocated 0.5 points, and each child under the age of 14 is allocated 0.3 points.

Source: Data of Statistics Lithuania at the Government of the Republic of Lithuania.

Table 21. Relative poverty line in vulnerable groups (%)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>All households</td>
<td>16.6</td>
<td>16.0</td>
<td>15.8</td>
<td>16.0</td>
<td>16.5</td>
<td>16.6</td>
<td>15.9</td>
</tr>
</tbody>
</table>
Persons subsisting on benefits, scholarships and savings: 39.6 40.8 40.4 41.1 35.1 42.4 38.6
Households with 3 and more children: 37.2 34.5 35.4 37.6 33.0 34.5 30.6
Single parents with children up to 18 years: 21.6 22.0 25.7 14.9 16.1 23.2 19.4
Self-employed in agriculture: 30.2 32.2 39.9 35.3 34.3 35.9 28.8
Rural residents: 25.9 26.5 28.2 27.6 27.6 28.5 27.4
Households whose breadwinner has basic education (8-9 years): 24.4 24.6 26.3 24.2 26.2 28.9 29.5
Pensioners: 22.1 20.9 19.1 20.4 21.4 21.5 23.0

Source: Data of the Department of Statistics under the Government of Lithuania
Note: This type of households includes all jobless persons regardless of their official status (looking for jobs, registered or unregistered with the labour exchange, e.g. persons subsisting on rent and students making their living out of scholarships).

Table 22. Relative poverty rate in 2003 by age of a household head, percent

<table>
<thead>
<tr>
<th>Age of a household head</th>
<th>Under 30</th>
<th>30-39</th>
<th>40-49</th>
<th>50-59</th>
<th>60 and above</th>
</tr>
</thead>
<tbody>
<tr>
<td>Relative poverty rate where poverty line equals 50 percent of equivalent consumption expenditure</td>
<td>15.3</td>
<td>13.6</td>
<td>16.1</td>
<td>14.9</td>
<td>19.7</td>
</tr>
</tbody>
</table>

Source: Data of Statistics Lithuania at the Government of the Republic of Lithuania.

Table 23. Relative poverty rate in 2003 by number of the unemployed* in a household, percent

<table>
<thead>
<tr>
<th>Number of the unemployed in a household:</th>
<th>1</th>
<th>2 and more</th>
<th>Of them:</th>
<th>None</th>
</tr>
</thead>
<tbody>
<tr>
<td>Relative poverty rate where the risk-of-poverty threshold is set at 50 percent of equivalent consumption expenditure</td>
<td>27.1</td>
<td>48.0</td>
<td>46.6</td>
<td>/</td>
</tr>
</tbody>
</table>

* The unemployed include persons who, a week before the survey, did not have a job, actively searched for a job and, if they had found a job, they could have started to work in the next two weeks.
/No data available because the error of statistical estimate exceeds a permissible level.

Source: Statistics Lithuania at the Government of the Republic of Lithuania.
Figure 2. Working-age Residents and residents covered by state social insurance 1995 to 2003

Chart 3. Breakdown of old age pension recipients by amount of pension (January 1, 2004)
Table 24. Families at social risk* (data of the Ministry of Social Security and Labour; end of year, thousand)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of families</td>
<td>9.7</td>
<td>12.6</td>
<td>14.9</td>
<td>15.1</td>
<td>16.0</td>
<td>18.1</td>
<td>18.7</td>
<td>18.5</td>
<td>17.9</td>
</tr>
<tr>
<td>including children</td>
<td>25.6</td>
<td>29.9</td>
<td>34.3</td>
<td>34.4</td>
<td>36.9</td>
<td>40.3</td>
<td>42.8</td>
<td>40.0</td>
<td>39.2</td>
</tr>
</tbody>
</table>

* Note: families at social risk include only the families that raise children.


Figure 4. Education structure of residents of some nationalities

![Education structure of residents of some nationalities]

Source: Data of the Population Census of Statistics Lithuania.

Table 25. Unemployment and employment by nationality, percent

<table>
<thead>
<tr>
<th></th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>Men</td>
<td>Women</td>
</tr>
<tr>
<td>Total</td>
<td>57.2</td>
<td>58.5</td>
<td>55.9</td>
</tr>
<tr>
<td>Employment (15-64 years)</td>
<td>17.4</td>
<td>19.9</td>
<td>14.7</td>
</tr>
<tr>
<td>Lithuanians</td>
<td>58.3</td>
<td>59.1</td>
<td>57.6</td>
</tr>
<tr>
<td>Employment (15-64 years)</td>
<td>16.7</td>
<td>19.3</td>
<td>13.9</td>
</tr>
<tr>
<td>Russians</td>
<td>48.7</td>
<td>54.2</td>
<td>43.8</td>
</tr>
<tr>
<td>Employment (15-64 years)</td>
<td>23.6</td>
<td>23</td>
<td>24.3</td>
</tr>
<tr>
<td>Poles</td>
<td>53.3</td>
<td>57.3</td>
<td>49.8</td>
</tr>
<tr>
<td>Employment (15-64 years)</td>
<td>19.5</td>
<td>23</td>
<td>15.5</td>
</tr>
<tr>
<td>Other</td>
<td>54.2</td>
<td>53.8</td>
<td>54.6</td>
</tr>
<tr>
<td>Employment (15-64 years)</td>
<td>19.7</td>
<td>23.9</td>
<td>16.1</td>
</tr>
<tr>
<td>Unemployment</td>
<td>19.7</td>
<td>23.9</td>
<td>16.1</td>
</tr>
</tbody>
</table>
Table 26. Persons who were granted asylum and participated in social integration by country of origin in 2002

<table>
<thead>
<tr>
<th>Country of origin</th>
<th>Foreigners who were granted asylum and state assistance for social integration</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Russian Federation</td>
<td>150</td>
<td>81</td>
</tr>
<tr>
<td>Afghanistan</td>
<td>16</td>
<td>8.6</td>
</tr>
<tr>
<td>Somalia</td>
<td>10</td>
<td>5.4</td>
</tr>
<tr>
<td>Pakistan</td>
<td>4</td>
<td>2.2</td>
</tr>
<tr>
<td>Sri Lanka</td>
<td>3</td>
<td>1.6</td>
</tr>
<tr>
<td>Iraq</td>
<td>1</td>
<td>0.6</td>
</tr>
<tr>
<td>Congo</td>
<td>1</td>
<td>0.6</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>185</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>
Table 27 – Application of EU social exclusion indicators (“Laeken indicators”) in Lithuania

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Description of indicator</th>
<th>Indicator calculated for period</th>
<th>Information source</th>
<th>When will (may) an indicator be calculated and on the basis of which survey, where the indicator presently is not calculated</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Risk of poverty rate after social transfers</td>
<td>Share of the residents whose equivalent household disposable income is below 60 percent of the national median equivalent disposable income (by sex, age, type of household, status of employment and type of dwelling ownership)</td>
<td>1996-2003</td>
<td>Household Budget Survey (HBS)</td>
<td>To be calculated from 2005 on the basis of data of the Survey on Income and Living Conditions (SILC), which is under way.</td>
<td>Due to changed income calculation methodology, the data for 2000-2003 cannot be compatible with previous data.</td>
</tr>
<tr>
<td>Disparities in income breakdown</td>
<td>Ratio of equivalent disposable income in fifth and first quintiles</td>
<td>1996-2003</td>
<td>Household Budget Survey (HBS)</td>
<td>To be calculated from 2005 on the basis of data of SILC, which is under way.</td>
<td>Due to changed income calculation methodology, the data for 2000-2003 cannot be compatible with previous data.</td>
</tr>
<tr>
<td>Long-term risk of poverty rate (60 percent of median)</td>
<td>Share of the residents whose equivalent household disposable income is below 60 percent of the national median equivalent disposable income in a surveyed year and in at least two years out of three preceding years (total, by sex).</td>
<td>none</td>
<td></td>
<td>To be calculated from 2007 on the basis of data of SILC, which is under way.</td>
<td></td>
</tr>
<tr>
<td>Depth of poverty</td>
<td>Ratio of the difference between the median income of the residents below the risk-of-poverty threshold and the risk-of-poverty threshold to the risk-of-poverty threshold (total, by sex).</td>
<td>1996-2003</td>
<td>Household Budget Survey (HBS)</td>
<td>To be calculated from 2005 on the basis of data of SILC, which is under way.</td>
<td>Due to changed income calculation methodology, the data for 2000-2003 cannot be compatible with previous data.</td>
</tr>
<tr>
<td>Breakdown (spread) around the risk-of-poverty threshold</td>
<td>Share of the residents with equivalent household disposable income below 40, 50 and 70 percent of the national median equivalent disposable income.</td>
<td>1996-2003</td>
<td>Household Budget Survey (HBS)</td>
<td>To be calculated from 2005 on the basis of data of SILC, which is under way.</td>
<td>Due to changed income calculation methodology, the data for 2000-2003 cannot be compatible with previous data.</td>
</tr>
<tr>
<td>Risk of poverty rate in a fixed period</td>
<td>The risk of poverty rate, where the risk-of-poverty threshold of a reference year, indexed with the consumer price index, is applied.</td>
<td>1996-2003</td>
<td>Household Budget Survey (HBS)</td>
<td>To be calculated in the future on the basis of data of SILC, which is under way.</td>
<td>In accordance with one methodology, the 1996 poverty threshold was calculated on the basis of data of the Survey on Income and Living Conditions (SILC), which is under way.</td>
</tr>
<tr>
<td>Indicator</td>
<td>Description of indicator</td>
<td>Indicator calculated for period</td>
<td>Information source</td>
<td>When will (may) an indicator be calculated and on the basis of which survey, where the indicator presently is not calculated</td>
<td>Notes</td>
</tr>
<tr>
<td>-----------------------------------------------</td>
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<td>-------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Risk of poverty rate before social transfers</td>
<td>Risk of poverty rate, where income stands for:</td>
<td>1996-2003</td>
<td>Household Budget Survey (HBS)</td>
<td>To be calculated from 2005 on the basis of data of SILC, which is under way.</td>
<td>Due to changed income calculation methodology, the data for 2000-2003 cannot be compatible with previous data.</td>
</tr>
<tr>
<td>Gini coefficient</td>
<td>Relation between the share of residents, broken down by income level, and the share of earned income.</td>
<td>1996-2003</td>
<td>Household Budget Survey (HBS)</td>
<td>To be calculated from 2005 on the basis of data of SILC, which is under way.</td>
<td>Due to changed income calculation methodology, the data for 2000-2003 cannot be compatible with previous data.</td>
</tr>
<tr>
<td>Long-term risk of poverty rate (50 percent of median)</td>
<td>Share of the residents with equivalent household disposable income is below 50 percent of the national median equivalent disposable income in a surveyed year and in at least two years out of three preceding years (total, by sex).</td>
<td>none</td>
<td>none</td>
<td>To be calculated from 2007 on the basis of data of SILC, which is under way.</td>
<td></td>
</tr>
<tr>
<td>Persons in households of the unemployed</td>
<td>Share of the residents 0-65 (60) years of age in the households, which include persons between 18 and 65 (60) years and no working persons.</td>
<td>1998-2003</td>
<td>Population Employment Survey</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rate of long-term unemployment</td>
<td>Ratio of the persons unemployed for 12 months and more to the number of active population.</td>
<td>1998-2003</td>
<td>Population Employment Survey</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share of long-term unemployment</td>
<td>Share of the persons unemployed for 12 months and more in the total number of the unemployed.</td>
<td>1998-2003</td>
<td>Population Employment Survey</td>
<td></td>
<td></td>
</tr>
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<td>Indicator</td>
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</tr>
<tr>
<td>Rate of very long-term unemployment</td>
<td>Ratio of the persons unemployed for 24 months and more to the number of active population.</td>
<td>1998-2003</td>
<td>Population Employment Survey</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Regional cohesion</td>
<td>Regional variation of employment rate (NUTS level II). Regional variation coefficient of employment rate indicators.</td>
<td>none</td>
<td></td>
<td>No calculation for Lithuania, because by territorial classification all country is a single NUTS 2 region.</td>
<td></td>
</tr>
<tr>
<td>Residents 18-24 years of age with only primary or basic education, not attending school</td>
<td>Share of the persons 18-24 years of age with unfinished secondary or lower education and not attending school in the total population of this age group (total, by sex).</td>
<td>1998-2003</td>
<td>Population Employment Survey</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Residents with primary and basic education</td>
<td>Share of the persons with basic or lower education in certain age groups (25-34, 35-44, 45-54, 55-64 years); (total, by sex.</td>
<td>1998-2003</td>
<td>Population Employment Survey</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average life expectancy</td>
<td>(by sex)</td>
<td>1958-2002</td>
<td>Indicator is calculated on the basis of the data of mortality rate survey and of population statistics</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Health condition with respect to income</td>
<td>Ratio of the persons who consider their health condition either bad or very bad in fifth and first quintiles (total, by sex).</td>
<td>none</td>
<td></td>
<td>To be calculated from 2005 on the basis of data of SILC, which is under way.</td>
<td></td>
</tr>
</tbody>
</table>
5 http://www.std.lt/.
7 Total birth rate – average number of live-birth infants, delivered by a woman in childbearing period (15-49 m.), if she reached the age of 50 and the birth rate per stated year remained unchanged in each age group.
10 The ratio between the population over 65 years and population aged 15-65.
12 Here and further on, the data of population employment surveys conducted by the Department of Statistics are indicated, unless specified otherwise. The first survey was conducted in 1995 via the polling of individuals aged 14 and elder, in 2000 – the minimum age of respondents was 15; the Labour Force Research excludes individuals enrolled in mandatory military service. Persons that raise children and schoolchildren in active search for a job are added to unemployed. The date until 1998 is not comparable with the data of following years amid a change in estimation methodology.
14 The following unemployed individuals are eligible for additional support on Lithuania’s labour market pursuant to the amendments to the 2001 Law on Support to the Unemployed: disabled; young individuals, aged 16 to 25, launching their record of service; graduates of professional, vocational and higher schools launching their record of service according to qualifications acquired; long-term jobseekers (out of work for at least two years); persons with the period left until the old-age pension not exceeding 5 years; mother or father raising a child under 8; ex-convicts where the period of conviction exceeded 6 months.
15 Population by education, native language and knowledge of languages. - Department of Statistics under the Government of the Republic of Lithuania, 2002, p. 10-11. Remark: according to the census criteria, an ‘illiterate” individual is a person unable to read (and understand the text) and write an ordinary sentence on routine life topics.
19 Youth schools provide schooling for schoolchildren unable to adapt in the society or unable to attend secondary school owing to social conditions. The schools provide the initial work skills and general education simultaneously.
20 Adult (inconsecutive) education institutions are designated for persons aged over 18. The educations cover general and professional training of various levels, including professional and higher education. The modules acquired may be used for the shift to consecutive education n system from the system of inconsecutive formal education.
Early dropouts from the education system in the European Union are the persons aged 18-24 who have not acquired secondary education and do not pursue further education.


In 2003 the Social Policy Group conducted the first poll on Trends and Reasons of Non-Attendance and Poor Attendance of School (the project 2000 PHARE ACCESS PROGRAMME), which covered the teachers – form-masters in primary, basic and secondary schools (grades I – X). The survey targeted to clarify the approach of teachers towards the problems of non-attendance or poor attendance of school by schoolchildren, the problems of pupils remaining in the same form for second year; to evaluate the reasons of these phenomena and the readiness of teachers and school community to work with problem children that do not attend school, and lack motivation. The respondents included 1,034 teachers.

Women with lower education, single, divorced or widowed women deliver statistically significantly more still-born children and infants with low weight and stand out with shorter gestation periods. The link between poverty and low education is rather close (see Table 6 in Appendix 2), which may lead to a supposition that poorer health of infants is a result of poor living conditions.


There are no summarized data about the division of persons expecting the state support by income or family composition. Applicants for state support were split into three rankings. The first ranking included citizens eligible for that support and willing to get accommodation, while the second ranking showed families eligible for social support, and the third – young families. Recently the state procedure for support has been changed, which, however, has not led to any changes in the number of people applying for support.
The amount of unemployment benefit (from 135 litas to 250 litas per month) is predetermined by the duration of previous work linked with payment of social insurance contributions. Persons with the record of work of 25 years or more are eligible for the maximum amount of benefit.

In late 2001, the public opinion research company SIC Rinkos Tyrimai, backed by Non-Governmental Organization Information and Support Centre, conducted a study concerning the NGO and poverty reduction policy. http://www.nisc.lt/tyrimai.php#tyrimas3

The comparison of data is approximate owing to changes in estimation methodologies.


One person was granted the status of refugee, a permission for temporary residence in Lithuania on humanitarian grounds under the principle of non-refoulement (hostilities, humanitarian crisis, disregard of human rights in the country of origin) was granted for 221 individuals and another 67 persons on other humanitarian reasons (the need in treatment, care, etc.).


In calculating equivalent disposable income, the modified OECD equivalence scale is applied, where the first adult in the household has a weight of 1 point, other adults are allocated 0.5 points, and each child under the age of 14 is allocated 0.3 points.
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