1. Who

Institutions that apply behavioural insights to policy

Public institutions

- Competition Council of the Republic of Lithuania
- Lithuanian Center for Excellence in Finance and Economic Research (CEFER)
- State Consumer Rights Protection Authority of the Republic of Lithuania
- State Tax Inspectorate under the Ministry of Finance of the Republic of Lithuania

Research institutions

- International Business School (Vilnius University)
- Lithuanian Energy Institute

Other institutions (private and non-profit)

N/A

Level of implementation

National, regional, local
2. How

Level of use of behavioural insights

- **Behaviourally-tested initiatives**: initiatives explicitly tested, or scaled out after an initial ad-hoc experiment.

- **Behaviourally-informed initiatives**: initiatives explicitly based on previously existing behavioural evidence.

- **Behaviourally-aligned initiatives**: initiatives that, at least a posteriori, are implicitly aligned with behavioural evidence.

Methodologies used

- Literature review
- Surveys

3. What

Policy areas where behavioural insights are applied

<table>
<thead>
<tr>
<th>Competition</th>
<th>Finance</th>
<th>Taxation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer Protection</td>
<td>Health</td>
<td>Transportation</td>
</tr>
</tbody>
</table>

Examples of policies using behavioural insights

**Consumer Protection**

*Protecting consumers against contract fees* (behaviourally-informed initiative). In Lithuania, credit companies are requested to provide a minimum, rather than a maximum, value for annual percentage rates and contract fees (expressed as “from”). The State Consumer Rights Protection Authority of the Republic of Lithuania proposed changing the framing of the information disclosure by replacing the word ‘from’ by ‘until.’ This could nudge companies toward communicating maximum fees and thus promote more informed choices by consumers. [Questionnaire]

**Health**

*Increasing the number of registered organ donors* (behaviourally-aligned initiative). An organ donation campaign in Lithuania tapped into BIs through messages such as ‘Donor card: a symbol that can give life to others’ (affect, framing, and social signalling) or ‘Last year’s Lithuanian organ donation and transplantation can be considered successful, even the increased number of donor card holders’ (social...
Unlike most European countries which use opt-out systems for organ donations, Lithuania has an informed consent system. The classic and much cited study “Do Defaults Save Lives?” shed light on the mismatch between positive public attitudes toward organ donations and the actual low proportion of registered donors. It also powerfully illustrated the effect of defaults (i.e. opt-out systems) on donation agreement rates.

**Transport**

1. **Tackling reckless driving** (behaviourally-aligned initiative). Lithuania has a decremental penalty points system for driving offences. Decremental point systems tap into loss aversion as drivers start with a certain number of points and each traffic violation incurs a specific point penalty. Should the driver lose all his/her points, the driving license is revoked. Decremental point systems are also in place in Bulgaria, Croatia, France, Italy, Latvia, Luxembourg, Poland and Spain.

2. **Dealing with traffic jams** (behaviourally-aligned initiative). To deal with frequent traffic jams at crossroads, a municipality in Lithuania painted crossroads in yellow, thus making them more salient. This aimed at grabbing drivers’ attention and nudging them toward not entering the crossroad when this would result in an aggravated jam. The use of yellow painted crossroads did appear to have a positive effect in avoiding jams at these locations. This initiative is somewhat related with the painting of optical illusions in roads (e.g. painting of illusions of speed bumps) to nudge individuals to drive more safely. [Questionnaire]

**4. Where**

**Institutional structure & capacity**

There is no formal structure, team, or person in charge of, applying BIs within the government, at any administrative level.

**Knowledge base**

Some academia at Lithuanian universities carry out research on behavioural insights applied to policy. For instance, a 2014 study examined corporate financial investment decisions of Lithuanian non-financial companies. Results suggested, for example, that these companies are generally not very active in the financial market and tend to be more risk averse, as they choose less profitable short-term investments.

**Networks and collaborations**

N/A

2 According to the Republic of Lithuania’s Law on Donation and Transplantation of Human Tissues, Cells and Organs (Last amended on 14 November 2013 – No XII-593), in cases where the deceased did not express his will with regard to organ donation, relatives may give consent.


