



ESF project "Improvement of the business supervisory system in Lithuania"

Key facts

SPECIFIC OBJECTIVE OF THE OPERATIONAL PROGRAMME

'Improve business regulation environment'

TARGET GROUPS



55 business supervisory agencies

BENEFICIARY ORGANISATION

Lithuanian Ministry of the Economy and Innovation (EIMIN)

PROJECT DURATION

03/08/2016 – 17/11/2020

COORDINATOR

Lithuanian Ministry of the Economy and Innovation



versloprieziura@eimin.lt

PARTNERS

N/A

BUDGET

EUR 682,036.86

ESF contribution

EUR 248,611.2

National budget of the Republic of Lithuania contribution



PROJECT/ORGANISATION WEBSITE



<http://bit.ly/36u5YQ5>
<http://eimin.lrv.lt/en>



<https://www.facebook.com/ekonomikosministerija>

Activities implemented

PROJECT IN NUMBERS



Training participants



Training sessions



Copies of the 'Business Supervision Handbook'



Business entities surveyed

MAIN PROJECT TASKS

- Carry out a review of all 55 business supervisory agencies and prepare individual recommendations for the design of assessment criteria.
- Develop materials for three training courses outlining the principles behind a modern supervisory system; the development of assessment criteria for strategic documents; and the improvement of consultation skills at supervisory agencies. Organise training events for staff at supervisory agencies.
- Implement four annual surveys of business entities to identify the key trends in the business supervision system, as well as the key issues faced by the business sector.
- Carry out 'secret client' evaluation service at one of the supervisory agencies to evaluate the quality of consultations provided to business entities.
- Update the 'Business Supervision Handbook', to be distributed to participants of the training events.

Project journey: from conception to delivery

INITIAL STAGE

CONTEXT OF THE PROJECT

In 2009, the Lithuanian Ministry of the Economy, in collaboration with the Ministry of Justice, introduced a reform seeking to optimise the functions of the country's supervisory agencies and increase their efficiency. The motto of this reform – **'The inspector is not a punisher, but a consultant!'** – captures the vision behind it, and sets the direction for supervisory agencies to follow.

PURPOSE OF THE PROJECT

The project aims **to increase the efficiency of Lithuania's business supervisory system** by: 1) ensuring the development and application of innovative business supervision instruments by supervisory agencies; and 2) improving the skills of staff employed in these agencies. The project contributes to two recent reform initiatives: the scoreboard of business supervisory institutions and the consolidation of business supervisory institutions.

MAIN CHALLENGES FACED, AND DIFFICULTIES ENCOUNTERED

The project coordinator, Gita Šematovičiūtė, joined EIMIN in February 2017. When she started working at EIMIN, the Business Supervision Policy Division was under-staffed, and the implementation of some of its activities and projects was behind schedule. Taking over the project and mobilising efforts was no easy task for Gita's team, and several challenges have occurred along the way. The main **difficulties** have included the need to closely supervise the work of service providers and to overcome the resistance of some supervisory institutions to collaborating.

PROJECT PHASE

KEY DEVELOPMENTS AND EVENTS DURING THE IMPLEMENTATION PROCESS

Gita's team began by carrying out procurement procedures. A consulting company had been contracted with the task of reviewing all 55 business supervisory agencies and preparing individual recommendations for the design of assessment criteria. The KPI recommendations prepared for business supervisory agencies, helped EIMIN colleagues working on the Scoreboard to clarify their vision on one of its criteria – performance indicators. The **Scoreboard** is a tool used to assess how successfully the business supervisory institutions implement the methods suggested by EIMIN. The Scoreboard and the project's recommendations have received both positive and negative reactions among supervisory institutions.

KEY RESULTS AND SUCCESS FACTORS

The main achievement of the project so far has been the **development of recommendations and assessment criteria for the 55 institutions**. These outputs have also contributed to the Scoreboard. In addition, the team prepared materials for the first training course and have begun to carry out the training. The team noted that these training events have already attracted great interest among the supervisory agencies.

RESULTS, IMPACTS

(EXPECTED) IMPACT ON BUSINESS, AS WELL AS ON THE ADMINISTRATIVE SYSTEM IN GENERAL

The project is expected to result in enhanced competences among staff working at supervisory agencies. These results will lead to **the provision of better-quality services to business entities, and will reduce the administrative burden imposed on businesses** by the supervision process. The project is an important step towards improving the overall business environment.

LESSONS LEARNT: THE ROLE OF ESF FINANCIAL SUPPORT

This ESF-supported project has contributed to the strengthening of the administrative capacities of the better regulation unit at EIMIN, and those of individual business supervisory agencies in Lithuania. The team at EIMIN has learnt the benefits of **having an in-house expert**; the desirability of **reaching agreements with supervisory agencies** regarding their willingness to participate *before* submitting the project application; and have **improved their procurement and project management skills**. The team has also become aware of the opportunities afforded by EU funding to contract top experts on business supervision from the OECD or the World Bank.

REFLECTIONS

A+	>9	Positive evaluation
A	>8	
A-	>7	
B+	>6	Neutral evaluation
B	>5	
B-	>4	Negative evaluation
C+	>3	
C	>2	
C-	>1	
D	0	

Matrix of the Scoreboard evaluation
Source: Presentation by EIMIN

Personal experiences



'We seek to ensure a comprehensive approach to business supervision. Although the scoreboard of supervisory agencies is an innovative solution alone that helped to highlight good practices and create 'soft' pressure for improvement, its effect has been strengthened by sending individual recommendations for each institution and offering a related programme for improving the skills of staff. These and other measures have created a number of synergies that should finally lead to better results.'

Marius Skuodis, Vice-Minister, Ministry of the Economy and Innovation of the Republic of Lithuania

'[this ESF-supported project demonstrates] that sometimes, very few resources are required to solve all of the problems. [...] Until somebody takes an outsider's view, you do not notice that something is not being done correctly, or that some things can be done more simply, in a smarter, more convenient way.'

Arvydas Naina, Head of Market Regulation Planning and Risk Assessment Division at the State Consumer Rights Agency

The study "Progress Assessment of the ESF Support to Public Administration" (PAPA) aims to present specific cases of ESF-funded public administration reform and capacity building initiatives. The contractor prepared 30 case studies and factsheets on ESF supported projects funded in 17 beneficiary countries of Thematic Objective 11 during the programming period 2014-2020.

This document has been prepared for the European Commission. However it reflects the views of the authors only, and the Commission cannot be held responsible for any use which may be made of the information contained therein.



PPMi

Find out more about the project by following the link <http://bit.ly/PAPA-PPMI> or scan the QR code using your smartphone camera.

©European Union 2020