Lithuania's National Recovery and Resilience Plan

Latest state of play

OVERALL RESOURCES

Lithuania’s National Recovery and Resilience Plan (NRRP) sets out the package of reforms and investment measures designed by the country in the context of the EU response to the crisis triggered by the coronavirus pandemic. In absolute figures, Lithuania has decided to use its full grant allocation of €2,224 million under the Recovery and Resilience Facility (RRF), while declining to avail of the loan component. These resources represent 0.3% of the entire RRF, equal to 4.6% of the country’s gross domestic product (GDP) in 2019 (the RRF being 5.2% of EU-27 GDP in 2019).¹

In addition, Lithuania is naturally pursuing national reforms and investments that aim to further promote the dynamism of its economy, while addressing a number of structural weaknesses. It is also pursuing major objectives such as convergence towards higher standards of living, the green transition and the digital transformation. Measures under the NRRP are to be completed by 2026.

Following the Council’s approval of the plan, Lithuania received €289 million pre-financing in August 2021. The next payments, in nine six-monthly instalments, will depend on progress in implementing the plan.

The European Parliament, which was a major advocate for the creation of a common EU recovery instrument, participates in interinstitutional forums for cooperation and discussion on its implementation and scrutinises the work of the European Commission.

¹ Source: European Commission, 2021.
Country-specific challenges

In the context of the European Semester, the Council adopts country-specific recommendations (CSRs), providing Member States with policy guidance on how to implement structural reforms while maintaining budgetary responsibility and sound macroeconomic policies. NRRPs under the Recovery and Resilience Facility must help to effectively address at least a significant subset of challenges identified in the 2019-2020 CSRs.

The European Commission groups the CSRs issued to Lithuania in 2019 and 2020 in eight broad categories: 1) Public finances; 2) Healthcare; 3) Education; 4) Social; 5) Labour; 6) Research and innovation; 7) Investment; 8) Public administration and business climate.

In 2020, the Council recommended that, in line with the general escape clause in the stability and growth pact, Lithuania take necessary measures to effectively address the pandemic, sustain the economy and support the ensuing recovery. In particular, Lithuania is recommended to:

1. when economic conditions allow, pursue fiscal policies aimed at achieving prudent medium-term fiscal positions and ensuring debt sustainability, while enhancing investment; strengthen the resilience of the health system, including by mobilising adequate funding and addressing shortages in the health workforce and of critical medical products; improve the accessibility and quality of health services;

2. mitigate the impact of the Covid-19 crisis on employment; increase the funding and coverage of active labour market policy (ALMP) measures and promote skills; ensure the coverage and adequacy of the social safety net and improve the effectiveness of the tax and benefit system to protect against poverty;

3. support liquidity for businesses, especially for SMEs and export-oriented sectors; front-load mature public investment projects and promote private investment to foster the economic recovery; focus investment on the green and digital transition, in particular on the coverage and take-up of very high capacity broadband, on clean and efficient production and use of energy, and on sustainable transport; promote technological innovation in SMEs.

Various CSRs relate to improving productivity, particularly to the need to upgrade skills and foster a more innovative and digital economy, factors that economic analyses have identified as crucial to boosting long-term economic growth in the country. Challenges also include modernising the health and education systems, and the energy and digital infrastructure. In the labour market, progress should be made on improving ALMP and on reducing labour market mismatches. Analyses also confirm the need to improve social safety and access to healthcare while reducing disparities. Additional challenges concern the effectiveness of the tax system and the efficiency of public investment.

Objectives and structure of the plan

On 14 May 2021, Lithuania submitted its NRRP to the European Commission. In line with RRF provisions, the plan aims to:

1) help Lithuania recover from the severe socio-economic impact of the coronavirus pandemic;
2) help to address structural weaknesses in the Lithuanian economy (i.e. the productivity gap; green and digital transformation; enhancing skills; persistent socio-economic disparities, including in access to quality healthcare; the need for an efficient public administration and tax system), while focusing on the three strategic axes agreed as common challenges at EU level (digitalisation and innovation; green transition; social inclusion).
Compared to a scenario without the RRF, the simulation by the Lithuanian authorities in the plan estimates that GDP will be higher by 0.73% in the long term compared to the baseline scenario. The plan is also estimated to have a positive impact on employment of 1.81% in the long term, while the unemployment rate is expected to be 1.9 percentage points lower in the long term.

Addressing the seven flagship areas for investments and reforms identified by the Commission for the RRF, the Lithuanian plan is structured around seven components to be implemented through a mix of 31 measures (4 investments and 27 reforms):

1. **'Resilient and future-proof health system'** aims to improve the quality and accessibility of healthcare. Related measures are designed to address challenges in the health sector by promoting innovation, strengthening the resilience of the health system and reforming the provision of long-term care services.

2. **'Green transformation'** aims to increase the production of sustainable electricity, greening transport, buildings and urban areas while preserving and restoring some natural habitat, as well as improving resource efficiency.

3. **'Digital transformation for growth'** seeks to enhance public information technology management and data management, support innovation in the public sector, improve government services and step up the 5G rollout in an attempt to increase digital connectivity.

4. **'Quality and accessible education for the entire life cycle'** mostly seeks to move towards better general education. Other measures concern better lifelong learning opportunities.

5. **'Higher education, a coherent framework for stimulating innovation and high value-added business'** aims to promote a knowledge-intensive economy and strengthen the higher education system. Relevant measures focus notably on improving higher education and science and research institutions, effective innovation policies, and support for developing the start-up ecosystem and green innovation.

6. **'Efficient public sector and preconditions to recover after the pandemic'** aims to implement a series of measures to make the public sector and the tax administration more efficient, transparent and digital.

7. **'More opportunities for everyone to actively build national well-being'** mainly refers to two measures: employment support, and guaranteed minimum income protection.

Across its seven components, the Lithuanian plan exceeds the **expenditure targets** that the RRF Regulation sets (at 37% of NRRP resources for the **green transition** and 20% for the **digital transformation**), with 37.8% for the green transition and 31.5% for the digital transformation.
Table 1 – Components of Lithuania’s NRRP

<table>
<thead>
<tr>
<th>Component</th>
<th>RRF resources (€ million)</th>
<th>Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Component 1: Resilient and future-proof health system</td>
<td>268</td>
<td>12%</td>
</tr>
<tr>
<td>Component 2: Green transformation</td>
<td>823</td>
<td>37%</td>
</tr>
<tr>
<td>Component 3: Digital transformation for growth</td>
<td>448</td>
<td>20%</td>
</tr>
<tr>
<td>Component 4: Quality and accessible education for the entire life cycle</td>
<td>312</td>
<td>14%</td>
</tr>
<tr>
<td>Component 5: Higher education, a coherent framework for stimulating innovation and high value-added business</td>
<td>200</td>
<td>9%</td>
</tr>
<tr>
<td>Component 6: Efficient public sector and preconditions to recover after the pandemic</td>
<td>64</td>
<td>3%</td>
</tr>
<tr>
<td>Component 7: More opportunities for everyone to actively build national well-being</td>
<td>109</td>
<td>5%</td>
</tr>
<tr>
<td></td>
<td>2 224</td>
<td>100%</td>
</tr>
</tbody>
</table>


**Reforms**

Overall, the Lithuanian plan includes 27 reforms (see Table 2, below), which are both an essential part of the plan and a catalyst for its implementation.

Reforms relating to green transformation will significantly help to boost investment in this area. In particular, reforms towards greening transport, building and the energy system will contribute significantly to improving Lithuania’s green credentials.

Reforms to accelerate the digital transformation and to improve education and the level of digital skills in the population will be crucial for moving successfully towards a more knowledge-intensive economy.

Reforms to improve the resilience, quality, accessibility and efficiency of the health sector should help to improve the provision of health services and long-term care services.

Reforms of the higher education and innovation systems are crucial to bolster Lithuania’s growth potential over the medium to long term.

Reforms to ensure a more efficient public sector and to reinforce the tax administration should guarantee a transparent and effective use of resources and a reduction of potential economic and financial waste.

In particular, reforms relating to the education system, targeted social support and lifelong learning opportunities should strengthen social cohesion.
Table 2 – Reforms to receive support under Lithuania’s NRRP

<table>
<thead>
<tr>
<th>Component 1</th>
<th>Component 2</th>
<th>Component 3</th>
<th>Component 4</th>
<th>Component 5</th>
<th>Component 6</th>
<th>Component 7</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>4</td>
<td>3</td>
<td>4</td>
<td>3</td>
<td>9</td>
<td>1</td>
</tr>
</tbody>
</table>

- **Component 1: Resilient and future-proof health system**
  - 'Improving the quality and accessibility of health services and promoting innovation'
  - 'Provision of long-term care services'
  - 'Systemic improvement of the health system’s resilience to deal with emergencies'

- **Component 2: Green transformation**
  - 'More sustainable electricity produced in the country'
  - 'Moving without polluting the environment'
  - 'Accelerating renovation of buildings and a sustainable urban environment'
  - 'Towards a circular economy'

- **Component 3: Digital transformation for growth**
  - 'Transformation of public information technology governance'
  - 'Ensuring the effectiveness of data management and open data'
  - 'Customer-oriented services'

- **Component 4: Quality and accessible education for the entire life cycle**
  - 'Modern general education – background to competitive competences'
  - 'Access to the development of competences and recognition of qualifications for adults'
  - 'Vocational guidance system to balance supply and demand on the labour market'
  - 'Competences for green and digital transformation acquired in vocational education and training'

- **Component 5: Higher education, a coherent framework for stimulating innovation and high value-added business**
  - 'Quality higher education and strong higher education institutions'
  - 'Effective implementation of innovation policy, increased demand for innovation, developed start-up ecosystem and green innovation development'
  - 'Joint missions for science and innovation in smart specialisation'

- **Component 6: Efficient public sector and preconditions to recover after the pandemic**
  - 'An efficient public sector'
  - 'A fairer and more growth-friendly tax system'
  - 'Long-term sustainability and transparency of the national budget'
  - 'Improving tax compliance'
  - 'Tools available to businesses to manage insolvency risk'
  - 'Smart tax administration to reduce the VAT gap faster'
  - 'Development of an electronic document ecosystem'
  - 'A single window to pay fines'
  - 'Repository system for audit and controls'

- **Component 7: More opportunities for everyone to actively build national well-being**
  - 'Guaranteed minimum income protection'

**Investment**

The financial resources component of the NRRP aims to boost the Lithuanian economy’s capacity for resilience, focusing on 31 measures (27 reforms and 4 investments) that should help to increase the country’s growth potential in the long term.

The four investments in the NRRP are ‘Increasing GHG absorption capacity’ (Component 2: Green transformation), ‘Prerequisites for innovative technological solutions in business and daily life’ and ‘Step towards 5G’ (Component 3: Digital transformation for growth), and ‘Customer-oriented employment support’ (Component 7: More opportunities for everyone to actively build national well-being).
The following table provides an overview of the investment related to the main measures and the main examples for each component.

**Table 3 – Largest measures to be supported under each component of Lithuania’s NRRP**

<table>
<thead>
<tr>
<th>Component</th>
<th>Allocation € million</th>
<th>No of measures</th>
<th>Largest measures and % of the component</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>268.0</td>
<td>3</td>
<td>Systemic improvement of the health system's resilience to deal with emergencies 55%</td>
</tr>
<tr>
<td>2</td>
<td>828.0</td>
<td>5</td>
<td>Improving the quality and accessibility of health services and promoting innovation 40%</td>
</tr>
<tr>
<td>3</td>
<td>448.0</td>
<td>5</td>
<td>Greening of transport 42%</td>
</tr>
<tr>
<td>4</td>
<td>312.0</td>
<td>4</td>
<td>Sustainable electricity production 29%</td>
</tr>
<tr>
<td>5</td>
<td>200.0</td>
<td>3</td>
<td>Accelerating renovation of buildings 26%</td>
</tr>
<tr>
<td>6</td>
<td>64.0</td>
<td>2</td>
<td>Increasing the GHG absorption capacity 2%</td>
</tr>
<tr>
<td>7</td>
<td>109.0</td>
<td></td>
<td>Modernise general education 79%</td>
</tr>
</tbody>
</table>

| Joint missions for science and innovation in smart specialisation 52% |
| Effective implementation of innovation policy, increased demand for innovation, developed start-up ecosystem and green innovation development 30% |
| A fairer and more growth-friendly tax system 32% |
| An efficient public sector 26% |
| Long-term sustainability and transparency of the national budget 12% |
| Customer-oriented employment support 100% |

Investments in the resilient and future-proof health system component aim to help make the Lithuanian health system more accessible, efficient and resilient. They relate to improving the quality and accessibility of health services and promoting innovation (40% of the component). A particular focus is also put on systemic improvement of the health system’s resilience to deal with emergencies (55% of the component).

Investments in green transformation address sustainable electricity production (29% of the component), greening of transport (42%), and renovation of buildings (26%).

Investments in digital transformation mainly aim to transform public information technology governance (25% of the component), make public services more effective (26%), support the diffusion of innovative technological solutions (26%), and step up the adoption of 5G technologies (16%).

Investments in quality and accessible education for the entire life cycle focus on modernising general education (79% of the component) and vocational education and training (12%).

Investments in higher education and innovation aim to improve the higher education system (18% of the component), support innovation policy, and support the development of the start-up ecosystem and green innovation (30%). In addition, a large proportion of the investments in this
component (52%) address the need for joint missions for science and innovation in smart specialisation.

Investments in an efficient public sector and the preconditions to recover after the pandemic aim for a more efficient public sector (26% of the component), a fairer and more growth-friendly tax system (32%), and better long-term sustainability and transparency of the national budget (12%).

Investments in the last component are (100%) targeted at customer-oriented employment support.

Governance

Lithuania has created a governance framework to ensure the implementation, monitoring and control of the plan.

**Lithuania’s Ministry of Finance** will be the national coordinator for the RRF. It will prepare and adopt the necessary legal acts for the plan’s management and control system, and will ensure a proper audit trail and record keeping. The **Central Project Management Agency (CPMA)** will be the administrating authority for the plan. It will assess and select projects and ensure they comply with project contracts as well as national and EU legislation. CPMA will monitor progress in implementing projects and will provide necessary information to the Ministry of Finance. The Ministry of Finance will work closely with line ministries and other relevant stakeholders to ensure and monitor the implementation of the plan.

The plan will be implemented under the national strategic management system and revised EU structural funds’ management procedures. The strategic planning system should ensure a link between the investments and the country’s strategic goals, as well as coherence between investments funded by different funding sources. Similarly, processes for administering the EU structural funds are being revised with a view to optimising them for the 2021-2027 period. The IT tool to manage and monitor investments funded by the RRF and 2021-2027 EU structural funds is under development and is expected to be fully functional by mid-2022.

The NRRP was subject to a public consultation held in April 2021, in which citizens and organisations were able to participate. A number of thematic discussions were organised during the early stages of the NRRP’s development, involving employers’ organisations, trade unions, local authorities and non-governmental organisations. To ensure ownership by the relevant actors, it is crucial to involve all local authorities and stakeholders concerned, including social partners, throughout the implementation of the NRRP’s investments and reforms.

Commission assessment

On 2 July 2021, the European Commission positively assessed the Lithuanian NRRP, proposing that the Council approve it. For 10 out of the 11 assessment criteria set in the RRF Regulation (Annex V), the Commission attributed the highest possible rating (A) to the plan (see Figure 2). Criterion No 9, cost justification, was the only one to receive a B (medium).

Under criterion No 1, the Commission concludes that Lithuania’s plan provides a comprehensive and adequately balanced response to the economic and social situation, contributing appropriately
to the six pillars under the RRF (green transition; digital transformation; smart, sustainable and inclusive growth; social and territorial cohesion; health, and economic, social and institutional resilience; and policies for the next generation).

The NRRP includes measures that help to address key challenges outlined in the 2019 and 2020 CSRs (criteria No 2 and 11).

The Commission finds that the plan focuses on growth-enhancing reforms and investments that are set to improve Lithuania's growth potential, labour market conditions and social resilience (criterion No 3). According to simulations carried out by the Commission using the QUEST model, the economic impact of the NRRP could increase Lithuania's GDP by between 1% and 1.6% and result in up to 9 000 additional jobs by 2026.3

NRRP measures in key policy areas aim to address long-standing barriers to economic growth, which should enable the plan to have a lasting impact on Lithuania's economy and society (criterion No 7). Medium- and long-term increases in productivity growth should stem from various measures, such as investments in digitalisation, the green transition, education and innovation, as well as measures aiming at a more efficient public sector. In addition, the plan is expected to have a significant impact on improving social cohesion, reducing poverty and income inequality, and proposes significant reforms in health and better access to healthcare.

The plan's largest measures are related to the reform on moving without polluting the environment, moving towards modern general education, boosting sustainable electricity production in Lithuania, and accelerating renovation of buildings and a sustainable urban environment, each representing more than €200 million of budgetary spending.

The Commission estimates that the measures supporting climate change objectives in Lithuania's plan account for 37.8% of its total allocation (criterion No 5), above the RRF requirement (37%). The plan is consistent with the Commission's 2020 country-specific guidelines on implementing Lithuania's national energy and climate plan. Lithuania's NRRP devotes 31.5% of its allocation to supporting digital transformation (criterion No 6), exceeding the RRF requirement (20%).

According to the Commission, no measures in the plan significantly harm the environment, in line with the 'do no significant harm' (DNSH) principle embedded in the RRF provisions (criterion No 4). While the volume and quality of information about the cost estimates vary between measures, the estimated total costs of the NRRP are deemed to be broadly reasonable, plausible, in line with the principle of cost efficiency, and commensurate with its expected impact (criterion No 9).

In addition, the assessment stresses that the verification mechanisms, data collection and responsibilities described by the Lithuanian authorities appear sufficient to justify the disbursement requests once the milestones and targets are completed (criterion No 10). Finally, the assessment concludes that the plan describes, to a sufficient extent, the institutional actors that are responsible for implementing the individual reforms and investments under each component. In particular, the actors, mainly sectoral ministries and authorities under their control, who will be in charge of implementing the measures are indicated in the description of the plan's components (criterion No 8).
Lithuania’s National Recovery and Resilience Plan

**Council decision and pre-financing**

On **20 July 2021**, EU economic and finance ministers approved the assessment of Lithuania’s NRRP. The annex to the Council Implementing Decision on the NRRP sets out the reforms and investment projects under the plan, the arrangements and timetable for its monitoring and implementation, including relevant milestones (qualitative achievements) and targets (quantitative achievements), and the related indicators.

The Council confirmed that Lithuania is set to receive €2 224 million in grants over the lifetime of the plan. Following the Council’s approval, the European Commission and Lithuania signed the financing agreement, which cleared the way for the payment of pre-financing equivalent to 13% of the country’s grant allocation. On 17 August 2021, the Commission disbursed the pre-financing, amounting to €289 million, which enables Lithuania to kick-start implementation of the NRRP.

Part of the pre-financing will cover projects already ongoing in 2020-2021 and consistent with RRF provisions, since the RRF enables Member States to cover eligible measures that have started since 1 February 2020 (the outbreak of the pandemic). Subsequent payments will be made in nine instalments, subject to progress in implementing investments and reforms, based on a decision by the Commission that Lithuania has satisfactorily fulfilled relevant milestones and targets (see below). The Commission may pay the pre-financing and the instalments in one or several tranches, depending on the availability of funding. The pre-financing will be cleared over time, being proportionally deducted from subsequent payments. The final deadline for the completion of milestones and targets is 30 September 2026.

**European Parliament**

Following the outbreak of the pandemic, the European Parliament was a major advocate for launching a common EU recovery instrument and established the RRF in its capacity as co-legislator with the Council. The Parliament also demanded that it should be involved in the shaping, adoption and implementation of the recovery fund, and that it be at the centre of the decision-making process to ensure democratic accountability.

Based on the RRF Regulation and the Interinstitutional Agreement (IIA) on budgetary matters, Parliament can scrutinise the work carried out by the Commission in the assessment of national plans. Within the European Parliament, the Conference of Presidents has established a Standing Working Group on the scrutiny of the RRF, comprising the Committee on Budgets (BUDG) and the Committee on Economic and Monetary Affairs (ECON). This Working Group prepares and follows up the recovery and resilience dialogue that Parliament holds every 2 months with the representatives of the European Commission.

In addition, the IIA provides for dedicated interinstitutional meetings between Parliament, the Council and the Commission on the implementation of the broader Next Generation EU (NGEU) recovery instrument. These meetings are organised in camera and are to take place at least three times per year. Through the discharge procedure, Parliament will also ensure democratic scrutiny of how NGEU resources are spent.

**Milestones and targets**

Apart from the 13% pre-financing disbursed in August, all other NRRP payments will depend on progress in implementing Lithuania’s plan. In total, nine instalments are planned, each linked to the achievement of a number of milestones (qualitative goals) and targets (quantitative goals).

Based on the RRF Regulation, Lithuania must commit RRF resources by the end of 2023, while payments must be made at the latest by the end of 2026. Figure 3 shows that around 60% of the payments for grants are expected to be concentrated in the first three instalments.
Overall, Lithuania will have to meet 98 milestones and 93 targets to implement its NRRP entirely.

The milestones are predominant in the first part of the plan (over 67% of total milestones are linked to the first three instalments).

The first instalment amounts to €649.5 million and is linked to 33 milestones. These include measures in the context of planned reforms, such as: entry into force of green legislation; entry into operation of a competence centre for open data and digital transformation; assigned radio frequencies for deploying 5G networks; entry into force of amendments to the relevant laws enabling faster installation of electronic communications infrastructure; designation of a competent authority to administer transport innovation measures; entry into force of the legislation on reforms to the education system; study on the feasibility of developing early childhood education infrastructure in municipalities; entry into force of the revised legislation on innovation-related reforms; delivery of the proposals on taxation; entry into force of the amendments to the rules on preparing and implementing public-private partnerships; repository system for audit and controls; information for monitoring implementation of the RRF; entry into force of the legislation introducing an additional benefit for disabled and elderly single persons; entry into force of the legislation on requirements for the provision of accredited social care; reforms to the employment service and employment support scheme.

Views of Lithuanian stakeholders

In April 2021, more than a hundred non-governmental organisations (NGOs) wrote a letter asking why promises to involve civil society in important processes for Lithuania were not being fulfilled. According to the signatories of the letter, there is a lack of commitment by political parties to consult NGOs: 'The Recovery and Resilience Improvement Plan for Lithuania is currently under discussion. The process of involving socio-economic partners is formal, no one has seen the whole draft plan. The document is not publicly available.'

In June 2021, Business Europe and the Lithuanian Confederation of Industrialists carried out a survey among their members on the Lithuanian plan; these members underlined the extremely limited involvement of social partners in designing the plan. While stressing that the EU has generally taken an appropriate emergency response, they also said that the Lithuanian plan only makes best use of the funds available to a very limited extent. In particular, they emphasised the insufficient focus on business competitiveness and RD&I.

According to Open Procurement EU, a collaboration of NGOs and professionals, including Transparency International Lithuania, while there is a strong focus in the Lithuanian plan on communicating positive results of the investments to the wider public, there are no clear commitments to go beyond routine government control mechanisms to ensure proactive publication of information and engage with wider stakeholder groups to plan and monitor RRF spending.
Expert debate

The International Monetary Fund (IMF), in its latest Article IV consultation, praises Lithuania for its economic policies, as Lithuania experienced the mildest contraction in Europe during the pandemic and was able to respond to the crisis with countercyclical policies, supported by large buffers in the economy and euro area membership, while avoiding off-budget and off-balance sheet measures. The IMF also stresses that the RRF and the EU’s support provide an opportunity to advance difficult reforms, including in education, healthcare, climate change and digitalisation. The IMF recommends prioritising reforms to boost productivity, address demographic strains, and ensure continued convergence to euro area income levels.

In the latest Going For Growth report on Lithuania, the Organisation for Economic Co-operation and Development (OECD) recalls that the crisis laid bare high poverty rates and relatively weak labour market integration of less-skilled workers. The OECD also recently recalled, in its economic outlook for Lithuania, that boosting productivity remains a key priority for long-term growth, and that better policies that address skills-related challenges and promote wider diffusion of advanced technologies could be instrumental.

The latest Lithuania energy policy review by the International Energy Agency offers policy advice on how to seize the opportunity to use EU funds for economic recovery. It stresses that, despite recent efforts, emissions have been on the rise, notably in the transport sector. Lithuania will need to make energy efficiency a priority, design a strong renewables strategy, and reform energy taxes to underpin its ambitious climate targets.

The OECD Environmental Performance Review of Lithuania supports Lithuania's plan to use the recovery allocations to accelerate efforts to develop renewable energy, to shift to alternative fuels in industry and transport, to introduce more electric vehicles and rail freight, and to upgrade buildings and heating systems.

A recent study by the OECD on mobilising evidence at the centre of government in Lithuania highlights that the Lithuanian government still faces difficulties in generating the type of evidence and evaluation needed at the right time and in the right format, and in connecting supply of evidence to demand.

EUROPEAN PARLIAMENT SUPPORTING ANALYSIS


OTHER SOURCES

European Union countries’ recovery and resilience plans, Bruegel, December 2021.

Article IV Consultation with the Republic of Lithuania, IMF, September 2021.

Going for Growth, OECD, April 2021.

ENDNOTES

1 The graphics and tables in this briefing are based on data from the Lithuanian NRRP, from the Council Implementing Decision on the approval of the assessment of the recovery and resilience plan for Lithuania, from the Annex to the Council Implementing Decision on the approval of the assessment of the recovery and resilience plan for Lithuania, and from the Commission Staff Working Document on analysis of the recovery and resilience plan of Lithuania. Data used reflect their source at the time of extraction; moreover, there may be discrepancies between data from different sources.

2 The flagship areas are: 1) Power up – Clean technologies and renewables; 2) Renovate – Energy efficiency of public and private buildings; 3) Recharge and Refuel – Sustainable transport and charging stations; 4) Connect – Rapid broadband services; 5) Modernise – Digitalisation of public administration; 6) Scale-up – Data cloud capacities and sustainable processors; 7) Reskill and upskill – Education and training to support digital skills.

3 These results do not include the possible positive impact of structural reforms.

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First edition. The 'NGEU delivery' briefings are updated at key stages throughout the lifecycle of the plans.