

**Question for written answer E-002560/2014  
to the Commission  
Rule 117  
Christine De Veyrac (PPE)**

**Subject:** Referendum on the sale of land to foreigners in Lithuania

On 17 February of this year, following a popular initiative that collected the signatures of over 10% of the Lithuanian population (approximately 300 000 people), the Lithuanian Government announced that, between the months of May and July 2014, a referendum is going to be held on whether or not to keep the legislation prohibiting the sale of land to foreign nationals, including to European Union nationals.

The concern of the two political parties behind this popular initiative (the Lithuanian Nationalist Union and the Lithuanian Peasant and Greens Union) is that the price of land will increase as a result of speculation by foreign investors.

This Lithuanian initiative resembles the recent Swiss vote regarding the free movement of persons and appears to undermine the idea of integration within the European family.

When it acceded to the European Union in 2004, Lithuania had undertaken to withdraw this prohibition on the sale of real property to foreigners. Nonetheless, it was entitled to an additional transitional period that will come to an end next May, even though it was initially scheduled for 2011.

If the Lithuanian people were to vote in favour of such legislation being kept, Lithuania would then clearly find itself in breach of the Treaty on the Functioning of the European Union in so far as Title IV, Chapter IV, Articles 63 to 66 relating to the free movement of capital is concerned.

As the 'guardian of the Treaties', what is the reaction of the Commission going to be in view of this threat?

Furthermore, what sanctions might the Commission impose on the Lithuanian Government in the event that European Union law is found to have been breached?