

WRITTEN QUESTION P-6065/07  
by Danutė Budreikaitė (ALDE)  
to the Commission

Subject: Pension reform in Lithuania

Under the Law of the Republic of Lithuania on the Accumulation of Funds for Pensions of 4 July 2003 (No IX-1691), citizens of Lithuania covered by the state pension scheme are entitled to participate in a funded pension scheme.

Three years after the Law entered into force, it became clear that, as a result of the reform, older people participating in a funded pension scheme would receive a smaller pension than those not participating. Furthermore, women would receive a smaller pension than men. Men would be entitled to receive an annuity when they have accumulated LTL 19 900 in private funds, while women would do so when they have accumulated LTL 27 000. Women, whose life expectancy is greater than that of men, would receive markedly smaller pensions than men.

Under Article 6(10) of the Law, it is possible to withdraw from a funded pension scheme only within 30 days of signing the contract. After three years, when it has become clear that older people and women are subject to discriminatory conditions under the funded pension system, participants in funded pension schemes no longer have the opportunity to withdraw from them and return to the state pension scheme.

Can the Commission comment on the Lithuanian Law on the Accumulation of Funds for Pensions, and on the compatibility of that Law with the Community acquis?