LITHUANIA'S ACTION PLAN ON THE IMPLEMENTATION OF THE UNITED NATIONS GUIDING PRINCIPLES ON BUSINESS AND HUMAN RIGHTS

I. GENERAL PROVISIONS


The present document contains former, current and future actions and measures by the Government of the Republic of Lithuania (hereinafter referred to as the Government) as regards the implementation of the UN Principles on Business and Human Rights, as well as the information as regards the provisions of national legislation pertinent to this field. The document specifies actions, planned or implemented measures and legislative provisions intended to consolidate Lithuania’s duty to protect, defend and respect human rights and encourage businesses to ensure respect and responsibility in the field of human rights, as well as to ensure effective remedies.

The concepts used in this document shall be understood as specified in relevant laws of the Republic of Lithuania, the UN Resolution on Business and Human Rights, and other legislation.

II. OBJECTIVES AND MEASURES

Objective 1: ensuring State’s duty to protect, defend and respect human rights

Protection of human rights, ensuring equal employment, social and other opportunities, gender equality, reducing gender pay gap – these are fundamental values to be pursued in labour relations and regulation of corporate activities. The Government has the obligation to ensure the above mentioned human rights in these areas. Government’s actions and measures include legislative instruments aimed at the development of a legislative framework providing for responsible business practices and elimination of corruption in the public sector. Great attention is paid to non-discrimination measures, including education on human rights, various studies and other measures that promote non-discrimination and respect for human rights. The Government also supports specific initiatives for promotion of gender equality, encourages the development of non-governmental organizations and provides financial assistance for initiatives of non-governmental organizations in this field.

To achieve this objective, the Government shall implement the following measures:

A. Legislative measures

1. **Improvement of the legislative process.** The aim is to review legal acts regulating law-making, including also, if necessary, drafting of required new legal acts, as well as to ensure
dissemination of best practice as regards application of the principles of transparency and openness in law-making.

Law on Legislative Framework of the Republic of Lithuania was adopted on 18 September 2012, and came into force on 1 January 2014. Following the principles of openness and transparency, it provides for law-making to be made public, as general interest-related legislative decisions cannot be made without public awareness and without the possibilities to participate; the public must have access to information related to the national policy objectives, the need for legal regulation and participating bodies; the civil society and interest groups must be provided with a possibility to submit proposals for legal regulation at all the stages of law-making. It also provides for the right to know the bodies that were involved in submitting, drafting and assessing regulatory impact of a respective legislative proposal, and the bodies monitoring legal regulation.

2. Reforming legal regulation regarding administrative liability. The aim is to regulate individual administrative liability in the Republic of Lithuania, to separate it from criminal liability, ensuring the main features of the administrative liability: simple fast-track process, preference to non-repressive impact measures, and their adequacy to the committed offence, thus increasing effectiveness of these measures.

The measure is carried out with a view to improving the Draft Code of Administrative Offenses of the Republic of Lithuania, submitted for deliberation to the Seimas of the Republic of Lithuania on 7 June 2012.

B. Anticorruption measures

1. Effective implementation of coordinated anti-corruption policy. The aim is to ensure proactive and effective fight against corruption, thus reducing the overall scope of corruption.

Draft amendment to the National Anti-corruption Programme for 2011-2014 was drafted by the Ministry of Justice of the Republic of Lithuania and adopted through the Resolution of the Seimas of the Republic of Lithuania of 3 December 2013. The revision and updating of this programme focussed particularly on key problems in certain areas of the public sector.

C. Measures related to research and training on non-discrimination and other human rights

1. Research and training in non-discrimination. The Inter-institutional Action Plan for the Promotion of Non-discrimination for 2012-2014 was approved by Resolution No 1281 of the Government of the Republic of Lithuania of 2 November 2011, aims to ensure the implementation of educational measures on promotion of non-discrimination and equal opportunities, to increase legal awareness, mutual understanding and tolerance in terms of gender, race, nationality, language, origin, social status, belief, convictions or views, age, sexual orientation, disability, ethnic origin and religion, to inform the public about manifestations of discrimination in Lithuania and its negative impact on equal opportunities of certain social groups to actively participate in public life.

Measures foreseen:

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1 Priority Measures for Implementation of the Programme of the Government of the Republic of Lithuania for 2012-2016 (paragraph 357). Responsible institution: Ministry of Justice
– to conduct a study into the reasons for changes in societal attitudes and causes of discrimination, as well as the analysis of the results;

– to organise seminars, informal education training and discussions on the topics of equal opportunities and non-discrimination for civil servants, trade union representatives and other target groups; in light of the priorities for 2012 as the European Year for Active Ageing and Solidarity between Generations, announced by the European Commission (hereinafter referred to as the EC), to organise informational and qualification advancement seminars and other events on manifestations of discrimination and other human rights issues.

It should be noted that under the Programme of the Government for 2012–2016, a working group was set up for drafting an Inter-institutional Action Plan for the Promotion of Non-discrimination for 2015–2017.


Measures foreseen:
– to organize training of the employers with a view to encourage their social responsibility as regards employment of persons with disabilities.

D. Measures related to research and training on equality between men and women

1. Research and training on equal opportunities between men and women. National Programme on Equal Opportunities for Women and Men for 2010-2014, approved by Resolution No 530 of the Government of the Republic of Lithuania of 4 May 2010 and the Action Plan for the implementation of the National Programme on Equal Opportunities for Women and Men for 2010-2014, adopted by Order No A1-323 of the Minister of Social Security and Labour of 7 July 2010, aims to ensure consistent, comprehensive and systematic cross-field implementation of the provisions of the Law on Equal Opportunities for Women and Men, as well as European Union (hereinafter referred to as the EU) and international commitments regarding gender equality.

On-going measures:
– to conduct an extended study and evaluation of the development as regards treatment of women and men in all spheres.

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– to organise seminars to encourage employers to systematically promote equal treatment of women and men in the workplace and equal opportunities for women and men as regards access to employment or promotion to a senior position\textsuperscript{10};
– to organise a round table discussion on the role of social partners in the implementation of equal opportunities for women and men in the labour market \textsuperscript{11};
– to organise seminars on discriminatory treatment of women and men in education\textsuperscript{12};
– to organise seminars in all regions of Lithuania on the implementation of provisional special measures \textsuperscript{13};
– to organise a competition for employers ensuring equal treatment for men and women\textsuperscript{14}.

E. Measures related to international obligations

1.  \textit{Membership in the Organisation for Economic Co-operation and Development.} The aim is to intensify and expand Lithuania’s participation in the activities of the institutions of the Organisation for Economic Co-operation and Development and, through the implementation of the organization’s measures, to exercise active lobbying for the membership in the Organisation for Economic Cooperation and Development (hereinafter referred to as the OECD)\textsuperscript{15}.

2.  \textit{Accession to the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions.} The aim is to create conditions for the ratification of the Convention following Lithuania’s accession to the OECD. To successfully accede to this Convention, criminal legislation must contain a special rule providing for the liability of natural and legal persons for the bribery of foreign public officials in international business transactions. The legislation must also prohibit tax deductions from money obtained as bribes, irrespective of this money being accounted for in accordance with applicable legal requirements\textsuperscript{16}.

F. Measures related to cooperation with non-governmental human rights organizations

1.  \textit{Cooperation and financial support of non-governmental human rights organizations.} The aim is to make a financial contribution to the activities of non-governmental human rights organizations.

Non-governmental human rights organizations are annually invited to participate in a competition for partial funding of their activities\textsuperscript{17}.

\textsuperscript{10} Action Plan of the National Programme on Equal Opportunities for Women and Men for 2010-2014 (measure 24.2.). Responsible institution: Ministry of Social Security and Labour.
\textsuperscript{11} Action Plan of the National Programme on Equal Opportunities for Women and Men for 2010-2014 (measure 6.1). Responsible institution: Ministry of Social Security and Labour
\textsuperscript{12} Action Plan of the National Programme on Equal Opportunities for Women and Men for 2010-2014 (measure 7.2). Responsible institution: Ministry of Education and Science.
\textsuperscript{13} Action Plan of the National Programme on Equal Opportunities for Women and Men for 2010-2014 (measure 9.4). Responsible institution: Office of the Equal Opportunities Ombudsman.
\textsuperscript{14} Action Plan of the National Programme on Equal Opportunities for Women and Men for 2010-2014 (measure 6.3). Responsible institution: Ministry of Social Security and Labour
\textsuperscript{17} Inter-institutional Action Plan for the Promotion of Non-discrimination for 2012–2014 (measure 5.1.). Responsible institution: Ministry of Social Security and Labour.
Objective 2: promoting corporate responsibility and respect in the field of business and human rights

The Government formulates and implements public policies mindful of the principle of responsible business and corporate social responsibility (hereafter referred to as the CSR) is an essential condition for sustainable development. Therefore, in its efforts to increase economic competitiveness, the Government not only promotes the use of renewable and environment-friendly technologies that are best fit to meet long-term public needs, but also the development of socially responsible and human rights-minded business.

The CSR category applies to companies that voluntarily go beyond regulatory compliance in addressing social and environmental issues in their business operations. Respect for human rights in business is one of the CSR areas.

The CSR can be seen as corporate policy and practice, where companies voluntarily integrate social, environmental and transparent business concerns in their business operations and their external relations. Together with social and public partners, companies seek innovative solutions to address systemic social, environmental and overall economic well-being problems.

The Commission’s Communication on the renewed EU strategy 2011-14 for Corporate Social Responsibility, adopted on 25 October 2011 (hereinafter referred to as the Communication on CSR strategy) highlights the importance of internationally recognized principles and guidelines, stating that companies may take account of internationally recognized reliable guidelines and principles, provided also by the UN in the field of business and human rights. The Communication on CSR strategy aims to provide for means to develop an action plan for greater corporate responsibility and to recommend to the EU Member States to develop and harmonize policies in the field of CSR.

According to the above document, it is expected that all European enterprises should make a commitment to respect human rights as defined in the UN Guiding Principles, and that EU Member States are encouraged to develop national action plans for the implementation of the UN Guiding Principles. Paragraph 4.8.2 ‘Implementing the UN Guiding Principles on Business and Human Rights’ of the Communication on CSR strategy points out a particular need for improving coherence of EU policies on business and human rights. It also recognizes that a better implementation of the UN Guiding Principles would contribute to EU objectives regarding specific human rights.

This document is an important initiative towards the promotion of the CSR across the EU and internationally, harmonization of existing rules and development of new rules in this field. Lithuania supports the aim to encourage as many as possible companies to act responsibly and to set out clear goals for 2015-2020. The priority in the field of CSR should be given to the awareness-raising and best practice exchange; support to various initiatives; cooperation with Member States; education; cooperation between organisations, CSR capacity development across businesses. Proper implementation of the relevant measures could strengthen the integrated approach to the promotion of CSR and contribute to the exchange of best practices and collaboration.

To achieve this objective, the Government shall implement the following measures:

A. Implemented and on-going measures for the development of CSR in Lithuania

1. **National Strategy for Sustainable Development.** The National Strategy for Sustainable Development\(^{19}\) attributes CSR to the general priorities of sustainable economic development. The implementation of the principle of participation of enterprises and social partners provides for closer social dialogue, stronger CSR, public and private sector partnership, as well as sustainable consumption and production.

2. **National Programme for the Development of CSR.** The Lithuanian National Programme for the Development of Corporate Social Responsibility for 2009-2013 (hereinafter referred to as the CSR Programme) and the Corporate Social Responsibility Action Plan for 2009-2011 (hereinafter referred to as the CSR Action Plan) were approved by Resolution No 53 of the Government of the Republic of Lithuania of 12 January 2010, which was followed by the next CSR Action Plan for 2012-2013 adopted by Resolution No 1057 of the Government of the Republic of Lithuania on 5 September 2012. These documents aimed to provide for promotion and development of CSR and to invite businesses to apply its principles in their operations, recognizing that socially responsible business responds to public expectations for welfare and serves as the basis for social and economic development.

The CSR Programme provides for key public policies related to the consistent, purposeful and integrated approach of the State towards the CSR, and establishes objectives of developing a CSR-conducive legal and institutional environment; promoting a better CSR understanding, and raising social and environmental awareness; as well as building CSR capacity among businesses and the stakeholders.

The development of CSR-conducive legal and institutional environment has resulted in simplified structure for the coordination of the development of corporate social responsibility and the management of an effective institutional cooperation (by revoking the governmental CSR Development Commission previously required under the CSR Programme), streamlining the quantitative criteria for the assessment of the implementation of the tasks provided for in the CSR Programme, and the decision by the Minister of Social Security and Labour to set up a Committee to monitor the implementation of the National Programme for the Development of Corporate Social Responsibility (hereinafter referred to as the CSR Committee), which had to oversee the implementation of the National Programme for the Development of Corporate Social Responsibility for 2009-2013.

The CSR Action Plan provides for the publication and regular update of the list of socially responsible national businesses. This list is placed on the website of the Ministry of Social Security and Labour.

3. **The application of CRS principles to the state-owned enterprises.** One of the objectives of the CSR Programme approved by the Government in 2010 is to develop methodological tools for the application of CSR principles, to ensure their dissemination and the exchange of best practices. It was foreseen that state-owned enterprises (hereinafter referred to as the SOE) operating under the principles of good governance may act as examples of socially responsible business. To this end, since 2010, actions were taken to restructure SOEs with a particular focus on corporate transparency and social responsibility. SOEs provide important public services as regards energy, water supply, public transport, electronic communications, health, education, social services and others. The application of the tools of socially responsible business may not only ensure that the highest return for the public is generated but can also make a positive impact on social stability and the promotion of business and human rights principles.

Lithuania already has SOEs engaged in socially responsible business initiatives. Model CSR application plan and its implementing guidelines for state-owned enterprises were prepared in

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2012 aimed to facilitate introduction of CSR in state-owned enterprises, and to promote the use of CSR principles in their operations. This document lists examples of good practise of CSR in Lithuanian state-owned enterprises, naming among others AB Lesto, AB Lietuvos Geležinkeliai, and Vilnius International Airport.

4. National network of responsible business. A Lithuanian National Network of Responsible Business was created in 2005 to provide training opportunities; promote cooperation and partnership among various sectors in Lithuania and abroad towards sustainable development. The Lithuanian Association of the Responsible Business (hereinafter referred to as the LAVA) was founded on 30 August 2013 on the basis of the former informal Lithuanian National Responsible Business Network, having brought together Lithuanian responsible businesses and organizations, mainly members of the United Nations Global Compact.

B. Government measures encouraging business enterprises to secure respect for human rights

1. National Responsible Business Award – annual initiative launched and implemented by the Ministry of Social Security and Labour together with the UN Development Programme in Lithuania and social partners from 2007 to 2012. The award honours business enterprises that have distinguished themselves and made the most progress in the area of corporate social responsibility. Since 2013, the contest for the National Responsible Business Award has been organized by the Ministry of Social Security and Labour together with Ministry of Economy and Ministry of Environment, and social partners. On 6 November 2013, the National Responsible Business Award was given out for the sixth time. It is planned to organise the National Responsible Business Award ceremony each year from 2015 to 2017. An annual international conference for dissemination of corporate social responsibility experiences is also planned to be held during this period.

2. Competition of business initiatives on anticorruption. With regard to the fact that in 2003 on the initiative of the UN 9th of December was declared the International Anti-Corruption Day, in order to support anti-corruption initiatives each year the Ministry of Economy announces the competition of business initiatives on anti-corruption and subsequently awards the initiators for the most effective business initiatives on anti-corruption.

3. Promotion of sustainable investment. Sustainable investment is investment into business, education, science, cultural and social initiatives and (or) business, cultural and social infrastructure that is oriented towards sustainable development, improvement of education, studying and science environment, creative progress and change of work methods in order to promote entrepreneurship and implement projects related to innovation development and cultural heritage. Foreign investors that applied for EU Structural Funds (hereinafter referred to as EUSF) according to the instrument INVEST LT+ administered by the Ministry of Economy for the period 2007–2013 had the opportunity to receive increased EUSF support if they made sustainable investments.
C. Planned measures

1. **Promotion of social and socially responsible business.** The National Progress Programme 2014–2020 approved by the Government of the Republic of Lithuania by Resolution No 1482 of 28 November 2012 (hereinafter referred to as National Progress Programme) establishes priorities for the implementation of Lithuanian progress strategy 'Lithuania 2030'. Lithuanian Progress Strategy 'Lithuania 2030' defines smart economy as able to compete in the world, generating high added value and based on knowledge, integrity and social responsibility. Task 3.3 'Implementation of sustainable development principals in businesses’ of the Lithuanian Progress Strategy goal 3 ‘Promotion of business productivity and sustainable development’ presents measures related to promotion of CSR and social businesses:

- to promote social and socially responsible business perceiving it as modern business practice;
- to promote social business by establishing a centre for competencies and good practice, accelerators, work environments for social business, mobility incentives and implementing other measures.

The National Progress Strategy also introduces horizontal principals related to sustainable development, gender equality and non-discrimination.

Lithuanian Entrepreneurship 2014–2020 Action Plan shall include actions related to the promotion of CSR, including the environment that enables to develop CSR, through cooperation with economic, social and international partners, as well as CSR initiatives.

2. **Innovation promotion.** The Government of the Republic of Lithuania by Resolution No 1281 of 18 December 2013 approved the Lithuanian Innovation Development Programme 2014–2020 (hereinafter referred to as Innovation Programme). The Innovation Programme defines the concept of social innovation as an application of new ideas (goods, services, methods) in order to more effectively satisfy the social needs and (or) to create new social connections, partnerships and networks. Task 3 of the Innovation Programme goal 2 foresees the promotion of cooperation of different sectors in creating innovation and highly effective innovation development. Task 2 of the Innovation Programme goal 4 states the need for creation of measures promoting innovation demand that would contribute to the solution of social, economic and environmental challenges.

Innovation programme foresees that:

- it is important to promote innovation in all sectors, to involve the society, and to implement and promote non-technological, social, organizational and other innovation, not only the ones based on research, (;
- cooperation of different sectors in creating and providing innovative services can contribute to the solution of social challenges;
- it is important to promote the creation and development of social innovation in order to provide more effectively services for families, children, socially vulnerable groups by employing the public, private and civil society sectors as well as the potential for cooperation with education institutions;
- an action plan for the implementation of this Innovation Programme is being prepared.

**Objective 3: ensuring access to effective remedy**

Understanding the importance of the protection of human rights and freedoms, the Government aims for effective protection of human rights and freedoms, and effective reaction regarding offences by the law-enforcement authorities. It also aims at establishing a legal framework that would help in ensuring effective ways for defending human rights, providing different possibilities
for interested parties to solve disputes and, in certain circumstances, a provision of an effective state-guaranteed legal aid in judicial proceedings.

To achieve this goal, the Government is implementing the following measures:

A. Implemented measures

1. **Improvement of procedures for providing state-guaranteed legal aid.** The aim is to improve the procedures for providing state-guaranteed legal aid: to guarantee that legal regulation of state-guaranteed legal aid is carried out with respect to principles of equality, priority of peaceful settlement of disputes, quality and availability.

Measures and results of their implementation: on 1 January 2014, the new Law on State-Guaranteed Legal Aid of the Republic of Lithuania came into force. It grants broader possibilities to choose a lawyer to provide secondary state-guaranteed legal aid; assures a better control of the selected services; implements the ‘one stop’ principle for persons seeking secondary state-guaranteed legal aid; and foresees to ensure conciliatory mediation.

2. **Improvement of civil proceedings.** Continuous analyses and evaluations of the civil procedure aim at creating conditions for an easier and more effective process of settling disputes and implementing EU legal acts.

The provision of the Code of Civil Procedure (hereinafter referred to as the CCP) of the Republic of Lithuania regulating the practice of videoconferencing and teleconferencing in the civil procedure (Article 175 of the CCP) came into force on 1 March 2013.

Provisions of the CCP allowing persons to submit procedural documents to court using electronic means of communication (Article 175 of the CCP) came into force on 1 July 2013.

3. **Promotion of mediation system development and effectiveness.** The aim is to develop the mediation process and promote peaceful settlement of disputes.

An order No 1R-263 On Mediation System Development was adopted by the Minister of Justice on 12 November, 2013. Working groups were created to prepare the concept of the mediation system development and to improve the mediation system in civil, administrative and criminal procedures.

4. **Introduction of class action institution in civil procedure.** The aim is to create conditions to bring and hear class actions in Lithuania thus enforcing the right to judicial protection, providing protection for the weaker party, shortening procedures of civil cases, reducing the costs of civil procedures and ensuring uniform case law with respect to identical or similar cases. It would increase public trust in the judicial system, enhance legal certainty and legitimate expectations.

On 13 March 2014, relevant amendments of the CCP provisions were adopted; following their entry into force, starting from 1 January 2015, the possibility of bringing class actions in civil cases shall be ensured.

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5. **Improvement of collective dispute regulation.** The aims is to held discussions with social partners to determine the need for revision of provisions regulating collective bargaining and to encourage parties to establish a mechanism for settling disputes at company level\(^{24}\).

An amendment to the Labour Code of the Republic of Lithuania was adopted on 15 May 2014 and came into force on 1 July 2014. Labour Code provisions were set in accordance with conclusions provided by the International Labour Organisation’s (hereinafter referred to as ILO) Committee on Freedom of Association on strike regulation with regard to practical problems of dispute settlement. Labour Code provisions regulating suspension of strike action were revised, rules of interpretation of collective agreements were foreseen and strike legitimacy issues were clearly regulated in cases with a collective agreement in action.

### B. Planned measures

1. **Introduction of class action institution in administrative procedure.** The aim is to create conditions to bring and hear class actions in Lithuania thus enforcing the right to judicial protection, providing protection for the weaker party, shortening procedures of administrative cases, reducing the costs of administrative procedures and ensuring uniform case law with respect to identical or similar cases. It would increase public trust in the judicial system, enhance legal certainty and legitimate expectations\(^{25}\).

Regarding the adoptions of the CCP amendments on 13 March 2014 that provide for a class action institution in civil procedure, a draft amendment of the Republic of Lithuania Law on Administrative Proceedings (hereinafter referred to as LAP) that introduces the class action institution in administrative procedure is being prepared. It is planned that the LAP draft amendment shall be submitted to the Government of the Republic of Lithuania in the fourth quarter of 2014.

2. **Evaluation of legal regulation of the institute of pre-trial administrative dispute resolution.** The aim is to establish a more explicit and definitive regulation of pre-trial complaint examination process carried out by the Chief Administrative Disputes Commission and public administrative disputes commissions in municipalities by transferring valid regulation from disputes commissions’ work regulations to the Law on Administrative Disputes Commissions\(^{26}\).

3. **Development of peaceful and extrajudicial consumer dispute resolution.** The aim is to establish a more effective procedure for extrajudicial resolution of disputes, to increase the participation of social partners (consumer associations and business organisations) in the system of alternative dispute resolution and to encourage self-regulation institutions to become members of the consumer rights protection system\(^{27}\).

4. **Promotion of business self-regulation.** The aim is to encourage the creation of a code of conduct as well as cooperation with the subjects responsible for codes of conduct and other business entities that have taken on commitments according to the existing codes of conduct. At present there are 10 codes of business ethics\(^{28}\).


5. **Introduction of the jury institute in courts.** The aim is to restore public trust in the legal system\(^{29}\).

On 20 June 2012, the Government in principle agreed on the objective to establish on a constitutional level the participation of the jury in the proceedings. Before relevant laws are drawn or amended, the concept of the jury institute in courts is going to be prepared and presented for the public assessment; the concept shall, inter alia, include the basic principles of the legal status of the jury members, the guarantees they would be provided with, responsibilities, procedural rights of the members of jury, their duties, etc.

### III. IMPLEMENTING PROVISIONS

This document is implemented as part of the Government programme and other strategic documents when preparing amendments of relevant legal acts and in cooperation with relevant institutions and organizations.

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