Lithuania

Indicators of Regulatory Policy and Governance 2021









Overview and recent developments

There is no single formal government regulatory policy in Lithuania, though some elements are embedded in several strategic documents. A major part of the Lithuanian government's efforts still focuses on administrative burden reduction, mainly for businesses. There are some general requirements to conduct monitoring and ex post reviews of existing primary laws, and the government has strengthened the regulatory oversight function and transparency related to ex post evaluations in 2020, although efforts remain in order to improve the effectiveness of the ex post evaluation framework. For example the Office of Government could be mandated to co-ordinate regulatory evaluations across government, involving all relevant institutions, and allocating appropriate resources.

While impacts are required to be assessed for all primary laws, regulatory impact assessment (RIA) remains a largely formal exercise to justify choices already made, rarely based on data, and is more embedded into regulatory decision-making procedure for primary laws than for subordinate regulations. The RIA processes in Lithuania should be improved, with a special focus on starting early in the policy development in order to inform the choice of policy instruments and on better quantification of regulatory impacts. Lithuania could develop a clear data governance framework for evidence-informed policy making, as well as simplify access to administrative data for analytical purposes by public institutions.

Consultation is systematically required once a regulation is drafted, but it does not frequently take place before a decision to regulate is made. Lithuania has continued developing

its stakeholder engagement and consultation methodology, particularly with the development of written guidance on how to conduct stakeholder engagement in 2019.

The institutional responsibility for co-ordinating regulatory policy and promoting regulatory quality lies primarily with the Government Office, which organises and supervises the law-making process when draft laws are initiated by the executive and which is in charge of preparing the annual legislative programme. The two main bodies with this location are the Strategic Competences Group, which is responsible for promoting better regulation, and the Government Strategic Analysis Centre involved in RIA quality control, consultation and assistance to ministries in conducting RIA. The Better Regulation Policy Division of the Company Law and Business Environment Improvement Department, within the Ministry of Economy and Innovation, co-ordinates initiatives in the field of administrative simplification for business, including licencing and business inspection reforms and administrative burden reduction plans. The Ministry of Justice was mandated for the co-ordination of ex post evaluation but there remains scope for strengthening the oversight functions related to ex post evaluation.

Concerning regulatory enforcement and inspections reform, Lithuania is ahead of most of OECD countries. Lithuania could consider building on existing efforts for better co-ordination of regulatory policy by bringing the different elements of regulatory policy from a whole-of-government perspective in an integrated strategic plan that includes identified objectives and a clear communication strategy.

Indicators of Regulatory Policy and Governance (iREG): Lithuania, 2021



Notes: The more regulatory practices as advocated in the <u>OECD Recommendation on Regulatory Policy and Governance</u> a country has implemented, the higher its iREG score. The indicators on stakeholder engagement and RIA for primary laws only cover those initiated by the executive (70% of all primary laws in Lithuania).

Source: Indicators of Regulatory Policy and Governance Surveys 2017 and 2021, http://oe.cd/ireg.

Some

Yes

All

Lithuania: Transparency throughout the policy cycle





Consult with stakeholders on:

| Evaluations of existing regulations |
|-------------------------------------|



All

Some

Publish online:

| All | Ongoing consultations* |
|------|---|
| Yes | Views of participants in the consultation process |
| Some | RIAs |
| No | Evaluations of existing regulations |





Policy makers use:

A public consultation is

(RIA) is due to take place

Ex post evaluations are

planned to take place

Regulatory impact assessment

planned to take place

| Interactive website(s) to consult with stakeholders | No |
|--|----|
| Website(s) for the public to make recommendations on | No |
| existing regulations | |

Inform the public in advance that:

Policy makers provide a public response to:

| Consultation comments | No |
|-------------------------|-------|
| Recommendations made in | Never |
| ex post evaluations | INEVE |

^{*} Publish on a single central government website.

Note: The data reflects Lithuania's practices regarding primary laws initiated by the executive. Source: Indicators of Regulatory Policy and Governance Survey 2021, http://oe.cd/ireg.



THE OECD REGULATORY INDICATORS SURVEY AND THE IREG COMPOSITE INDICATORS

The data presented in the 2021 Regulatory Policy Outlook are the results of the 2014, 2017 and 2021 Indicators of Regulatory Policy and Governance (iREG) surveys.

The iREG survey investigates in detail three principles of the 2012 OECD Recommendation of the Council on Regulatory Policy and Governance: stakeholder engagement, regulatory impact assessment (RIA) and *ex post* evaluation. Three composite indicators were developed based on information collected through the surveys for these areas. Each composite indicator is composed of four equally weighted categories:

- Systematic adoption comprises formal requirements and how often these requirements are conducted in practice;
- Methodology presents information on the methods used in each area, e.g. the type of impacts assessed or how frequently different forms of consultation are used;
- Oversight and quality control reflects the role of oversight bodies and publicly available evaluations; and
- Transparency comprises information which relates to the principles of open government e.g. whether government decisions are made publicly available.

The data underlying the composite indicators reflect practices and requirements in place at the national level of government, as of 1 January 2021. The indicators for stakeholder engagement and RIA relate to regulations initiated by the executive, while the indicator on *ex post* evaluation relates to all regulations. Whilst the indicators provide an overview of a country's regulatory policy system, they cannot fully capture the complex realities of its quality, use and impact. In-depth country reviews are therefore required to complement the indicators and to provide specific recommendations for reform. A full score on the composite indicators does not imply full implementation of the Recommendation. To ensure full transparency, the methodology for constructing the composite indicators and underlying data as well as the results of sensitivity analysis are available publicly on the OECD website (http://oe.cd/ireg).

Related links:

- Regulatory Policy Outlook 2021
- · Indicators and underlying data and methodology
- 2012 Recommendation of the Council on Regulatory Policy and Governance
- OECD Measuring Regulatory Performance Programme
- OECD work on regulatory policy

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