

Lithuania

Regions and Cities at a Glance provides a comprehensive assessment of how regions and cities across the OECD are progressing in a number of aspects connected to economic development, health, well-being and the net zero-carbon transition. It presents indicators on individual regions and cities to assess disparities within countries and their evolution since the turn of the new millennium. Each indicator is illustrated by graphs and maps. The report covers all OECD countries and, where data is available, partner countries and economies.

Territorial definitions

The data in this note reflect different sub-national geographic levels in OECD countries:

- **Regions** are classified on two territorial levels reflecting the administrative organisation of countries: large regions (TL2) and small regions (TL3). Small regions are classified according to their access to metropolitan areas (Fadic et al. 2019).
- **Functional urban areas** consist of cities – defined as densely populated local units with at least 50 000 inhabitants – and adjacent local units connected to the city (commuting zones) in terms of commuting flows (Dijkstra, Poelman, and Veneri 2019). Metropolitan areas refer to functional urban areas above 250 000 inhabitants.

In addition, some indicators use the degree of urbanisation classification (OECD et al. 2021), which defines three types of areas:

- **Cities** consist of contiguous grid cells that have a density of at least 1 500 inhabitants per km² or are at least 50% built up, with a population of at least 50 000.
- **Towns and semi-dense areas** consist of contiguous grid cells with a density of at least 300 inhabitants per km² and are at least 3% built up, with a total population of at least 5 000.
- **Rural areas** are cells that do not belong to a city or a town and semi-dense area. Most of these have a density below 300 inhabitants per km².

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Regional economic trends

Employment and unemployment rates in regions

In Lithuania, regional disparities in unemployment rates are stark compared to other OECD countries. While in Utena county 12.4% of the working force was unemployed in 2021, the share was 4.8% in Vilnius county.

Meanwhile, the difference in employment rate between the regions with the highest (Vilnius county) and lowest (Utena county) employment rates reached 18 percentage points in 2021.

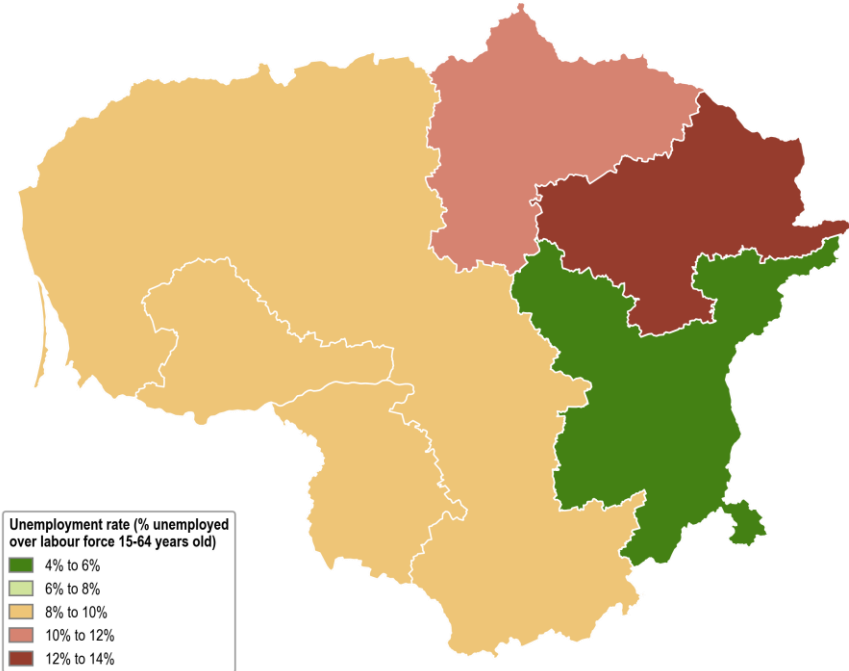


Figure 1: Unemployment rates in small regions, 2021

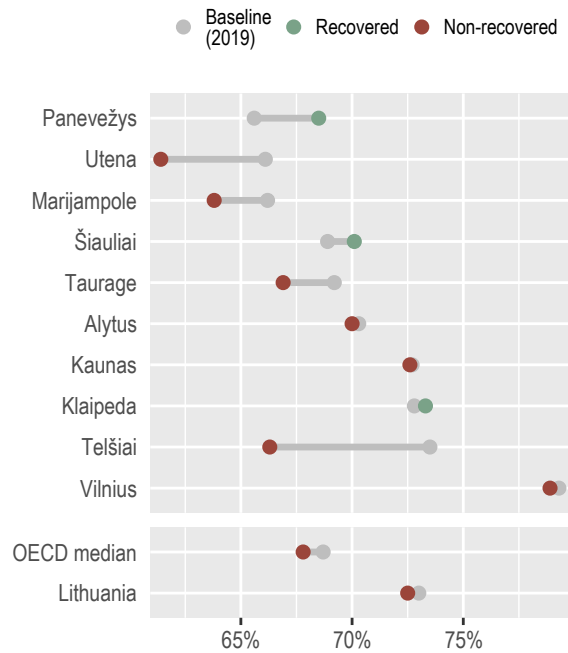


Figure 2: Change in employment rates in small regions, 2019-2021

Note: Employment and unemployment rates, aged 15-64 years old. The OECD median corresponds to the median employment rate in large regions.

Source: OECD (2022), "Regional labour", *OECD Regional Statistics* (database)

Trends in GDP per capita prior to COVID-19

Between 2018 and 2019, GDP per capita increased in all Lithuanian regions. In 2019, Marijampole county, a region with a GDP per capita -41% below the national average (20 665 vs. 34 853 USD PPP), experienced the largest increase in GDP among Lithuanian regions, of approximately 6%.

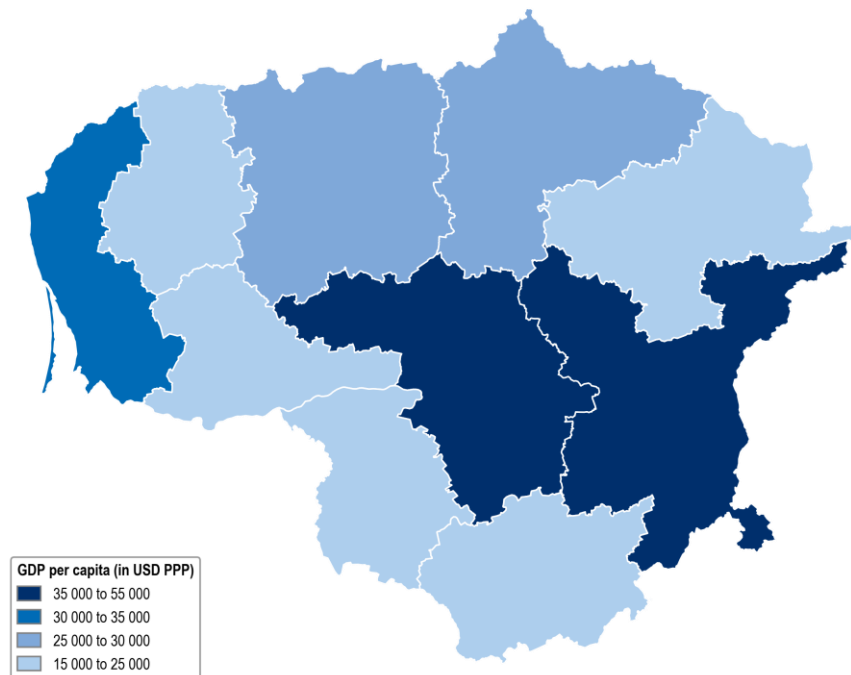


Figure 3: GDP per capita in small regions, 2019

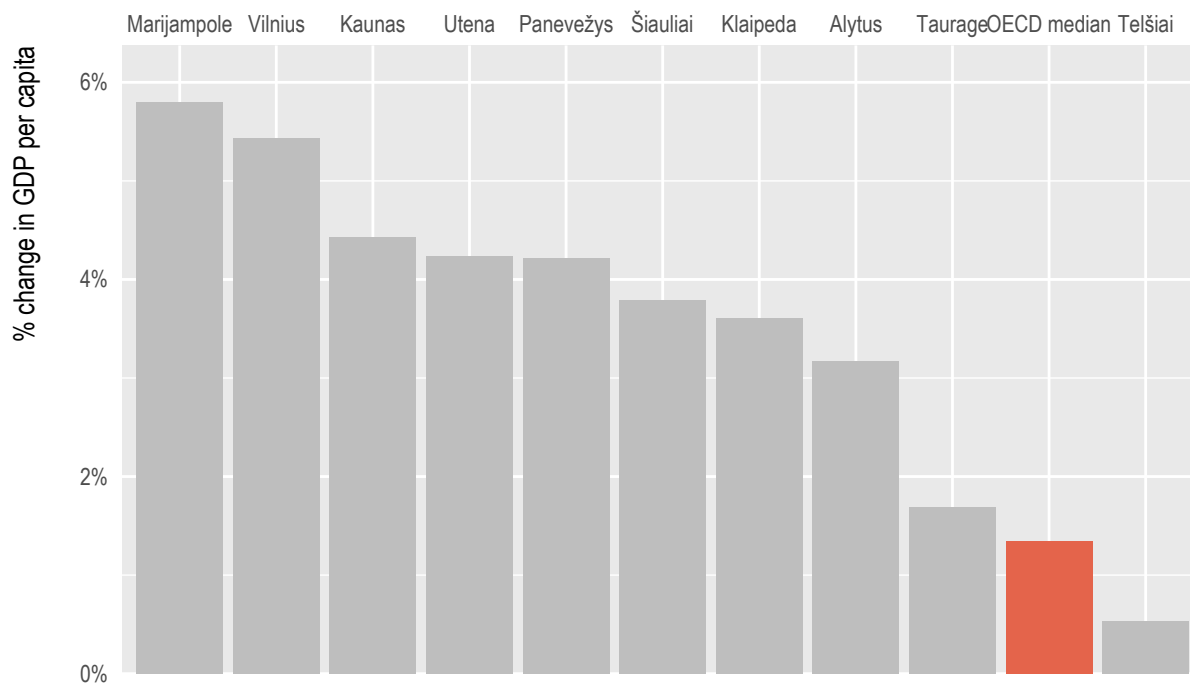


Figure 4: % change in GDP per capita in small regions, 2018-2019

Note: GDP per capita is measured in constant prices and constant PPPs, reference year 2015. Constant prices are calculated using national deflators. The OECD median corresponds to the median decline in GDP per capita observed across OECD large regions over the period.
 Source: OECD (2022), "Regional economy", *OECD Regional Statistics* (database)

Trends in regional economic disparities in the last decade

Differences between Lithuanian regions in terms of GDP per capita have remained relatively stable over the past nine years, with the richest 20% of regions reporting a GDP per capita 1.8 times higher than the poorest 20% of regions.

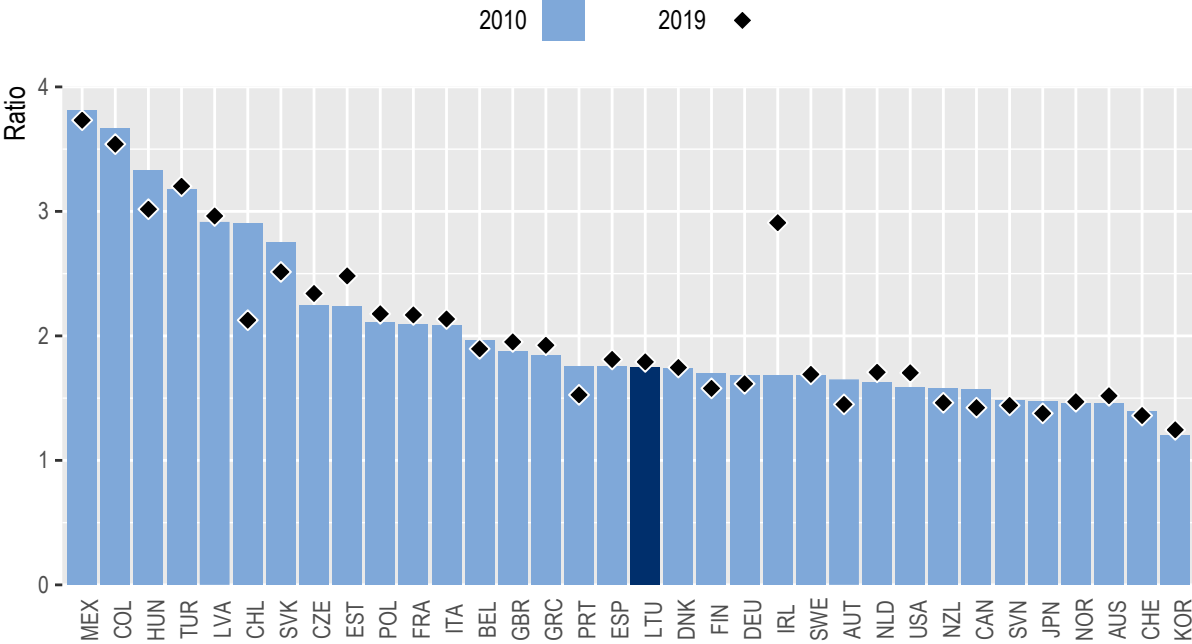


Figure 5: Index of regional disparities in GDP per capita (richest 20% relative to poorest 20% of regions)

Note: The GDP per capita of the top and bottom 20% regions are defined as those with the highest/lowest GDP per capita until the equivalent of 20% of the national population is reached. A ratio of 2 means the richest regions have a GDP per capita twice as large as the poorest regions. The indicator is calculated using large regions, except for Latvia and Estonia, where small regions are used instead. Irish GDP underwent an [upwards revision](#) in 2016. Care is advised in its interpretation.

Source: OECD (2022), "Regional economy", *OECD Regional Statistics* (database)

Productivity trends in the last decade

Between 2010 and 2019, Kaunas county and Telšiai county experienced the highest and lowest productivity growth in Lithuania, respectively. Kaunas county saw a labour productivity increase of 4.3% per year, above the OECD average of 1.0%¹. During the same period, Telšiai county experienced a decline in measured labour productivity, averaging -0.2% per year.

¹ International comparability in 2019 and 2020 is limited because of methodological differences in the calculation of employment counts during the height of the COVID-19 economic crisis.

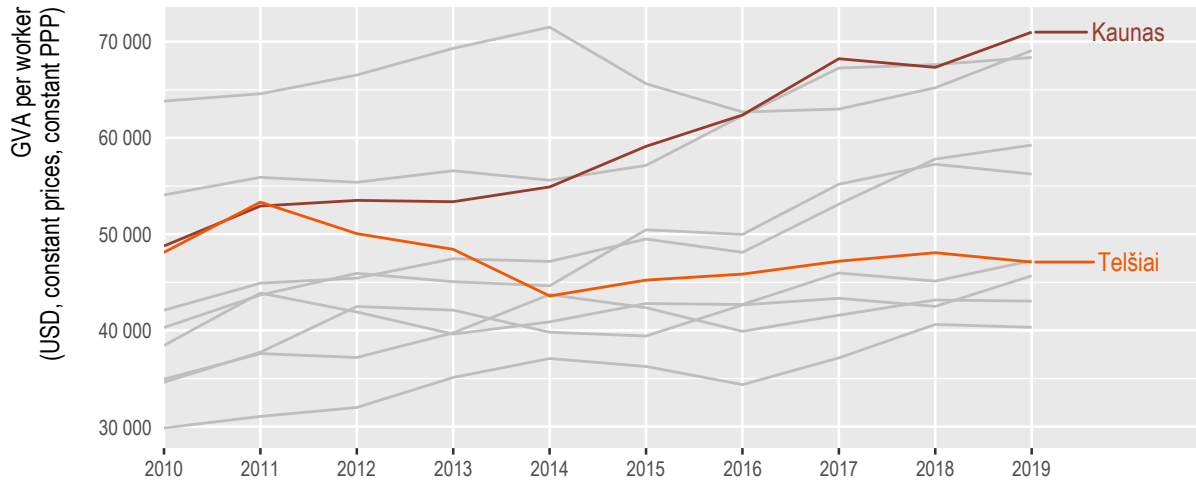


Figure 6: Regions with the highest and lowest productivity growth between 2010 and 2019

Note: Regional Gross Value Added (GVA) per worker, in USD, constant prices, constant PPP, base year 2015.
 Source: OECD (2022), "Regional economy", *OECD Regional Statistics* (database)

Well-being, liveability and inclusion in regions

Regional well-being

Lithuania faces stark regional disparities across six well-being dimensions, with the starkest disparities in terms of jobs, safety and access to services.

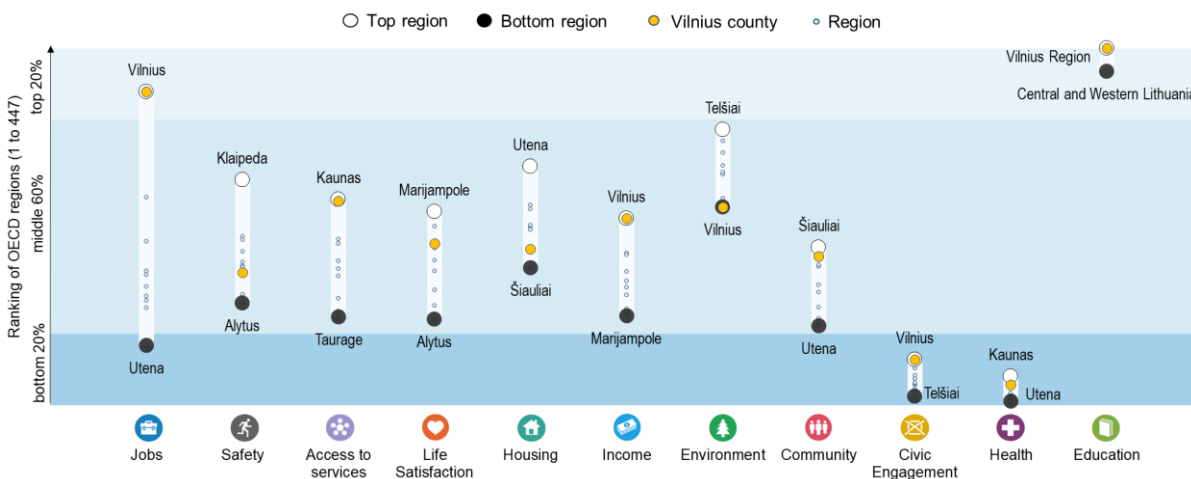


Figure 7: Regional gaps in well-being

Note: Regional indices provide a first comparative glance of well-being in OECD regions. The figure shows the relative ranking of the regions with the best and worst outcomes in the eleven well-being dimensions, relative to all OECD regions. The eleven dimensions are ordered by decreasing regional disparities in the country. Each well-being dimension is measured by the indicators in the table below.

Relative to other OECD regions, Lithuania performs best in the education dimension, with all of Lithuanian regions lying in the top 20% of OECD regions.

The top 20% of Lithuanian regions rank above the OECD median region in 8 out of 14 well-being indicators, performing best in terms of population with at least upper secondary education and employment rate.












	Country average	Median OECD region	Lithuanian regions	
			Top 20%	Bottom 20%
 Jobs				
Employment rate 15 to 64 years old (%), 2021	72.5	68.5	78.9	65.1
Unemployment rate 15 to 64 years old (%), 2021	7.1	5.8	4.8	10.4
 Safety				
Homicide Rate (per 100 000 people), 2021	2.5	1.4	1.2	3.7
 Access to services				
Households with broadband access (%), 2021	86.0	86.0	88.6	80.9
Internet download speed: deviation from OECD average (%), 2021-Q4	-16.4	..	-7.5	-40.4
 Life Satisfaction				
Life satisfaction (scale from 0 to 10), 2016-20	6.4	6.6	6.6	6.1
 Housing				
Rooms per person, 2020	1.6	1.6	1.8	1.5
 Income				
Disposable income per capita (in USD PPP), 2018	17 689	20 601	20 847	14 525
 Environment				
Level of air pollution in PM 2.5 (µg/m³), 2020	9.3	10.8	8.3	10.1
 Community				
Perceived social network support (%), 2016-20	87.5	90.5	89.3	85.0
 Civic engagement				
Voters in last national election (%), 2021	47.8	66.7	50.6	43.6
 Health				
Life Expectancy at birth (years), 2020	75.1	80.3	75.8	74.2
Age adjusted mortality rate (per 1 000 people), 2021	12.3	8.0	11.6	13.2
 Education				
Population with at least upper secondary education, 25-64 year-olds (%), 2021	94.9	80.4	97.6	93.7

Figure 8: How do the top and bottom regions fare on the well-being indicators?

Note: Regional well-being indices are affected by the availability and comparability of regional data across OECD countries. The indicators used to create the indices can therefore vary across OECD publications as new information becomes available. For more visuals, visit <https://www.oecdregionalwellbeing.org>.

The digital divide

Fixed Internet connections in Lithuanian cities and rural areas deliver speeds significantly faster than the OECD average (15% and 45%, respectively). This gap (30 percentage points) is larger than in most other OECD countries.

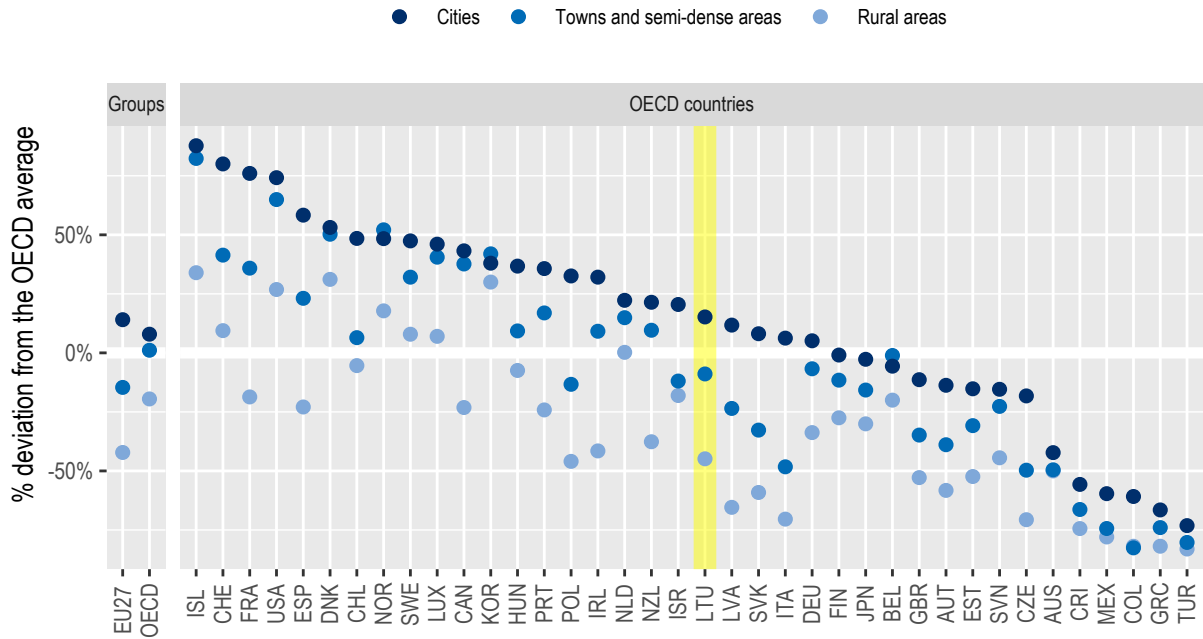


Figure 9: Speed of fixed Internet connections relative to the OECD average, by degree of urbanisation, 2021Q4

Note: Cities and rural areas are identified according to the degree of urbanisation (OECD et al. 2021). Internet speed measurements are based on speed tests performed by users around the globe via the Ookla Speedtest platform. As such, data may be subject to testing biases (e.g. fast connections being tested more frequently), or to strategic testing by ISPs in specific markets to boost averages. For a more comprehensive picture of Internet quality and connectivity across places, see OECD (2022), *"Broadband networks of the future"*.

Source: OECD calculations based on [Speedtest by Ookla Global Fixed and Mobile Network Performance Maps](#) for 2021Q4.

The average speed of fixed Internet connections is below the OECD average in all Lithuanian regions. Within the country, residents of Vilnius county, Kaunas county and Klaipeda county experience the fastest connections.

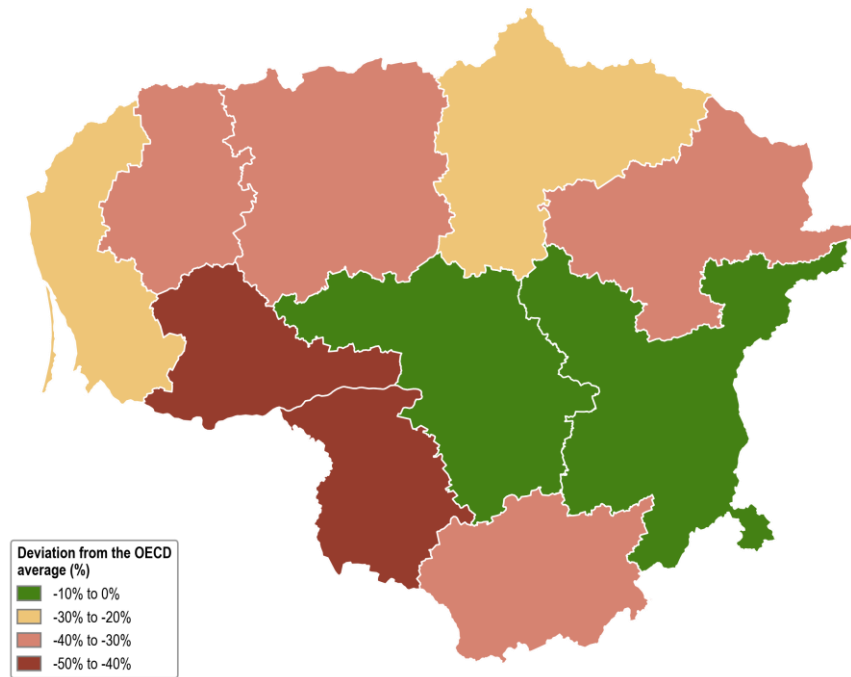


Figure 10: Speed of fixed Internet connections relative to the OECD average, in small regions (2021Q4)

Relative poverty rates

In Lithuania, relative poverty rates² range from 15% to 30% across regions. This 15 percentage point difference is similar the average difference observed across the 29 OECD countries with available data (16 percentage points).

² The relative poverty rate gives the share of people – as a % of the regional population – with an income below the relative poverty line (60% of the national median income).

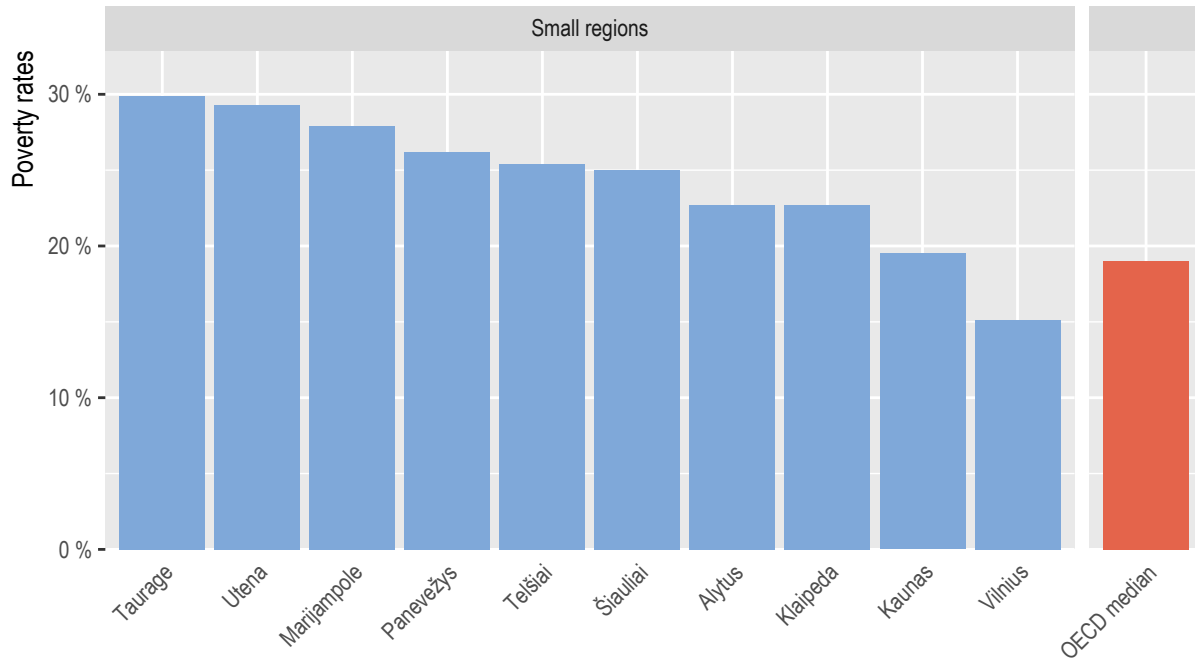


Figure 11: Relative poverty rates in 2022

Note: The OECD median gives the median relative poverty rate observed in a sample made of 326 large regions (from 28 countries), and 28 small regions (from Denmark, Lithuania and the Slovak Republic). Data corresponds to 2020 or the latest available year.

Demographic trends in regions and cities

Population projections by type of regions across OECD countries

Between 2020 and 2040, the population of Lithuania is expected to decrease in all types of regions. Regions far from a metropolitan area are expected to see the greatest change, with their population decreasing, on average, by 25 % over the next two decades.

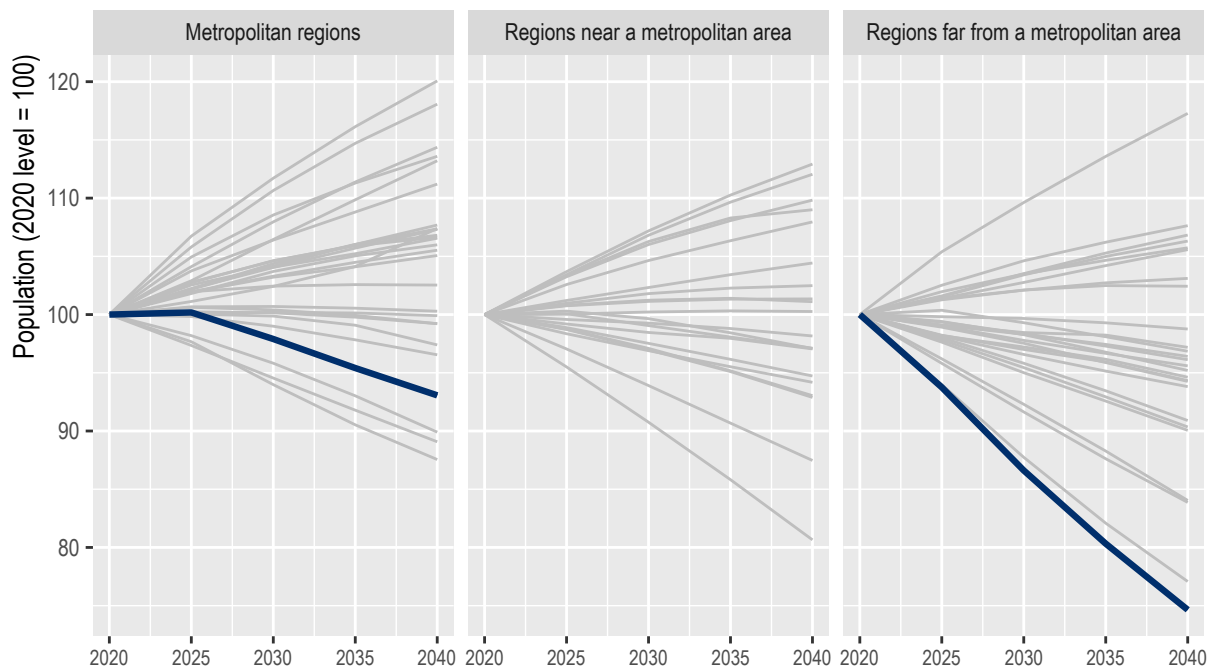


Figure 12: Population projections across OECD countries, by type of regions

Note: Lines represent the population projection in OECD countries per type of region (Fadic et al. 2019). Lithuania is highlighted in blue.

Dependency rate and proportion of the elderly

In the coming two decades, the share of the elderly population in Lithuania is expected to increase across all types of regions, but faster in regions far from a metropolitan area.

The elderly dependency rate³ in Lithuania is also lower than the OECD average (30.4 %) in most regions, ranging from 37% in Utena county to 27% in Vilnius county.

³ The elderly dependency rate compares the number of elderly people at an age when they are generally economically inactive (i.e. aged 65 and over), to the number of people of working age (i.e. 15-64 years old).

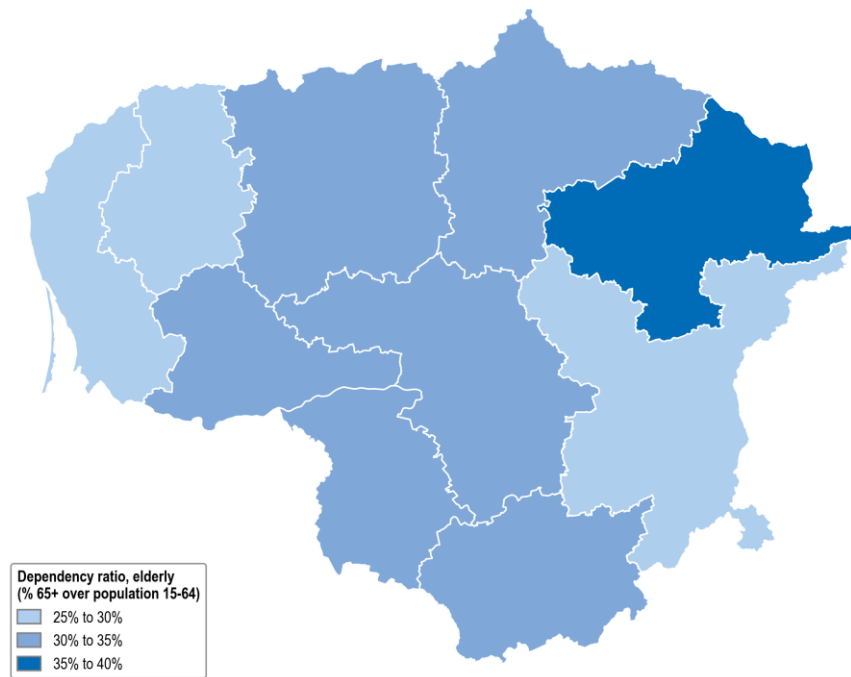


Figure 13: Elderly dependency rate in small regions, 2021

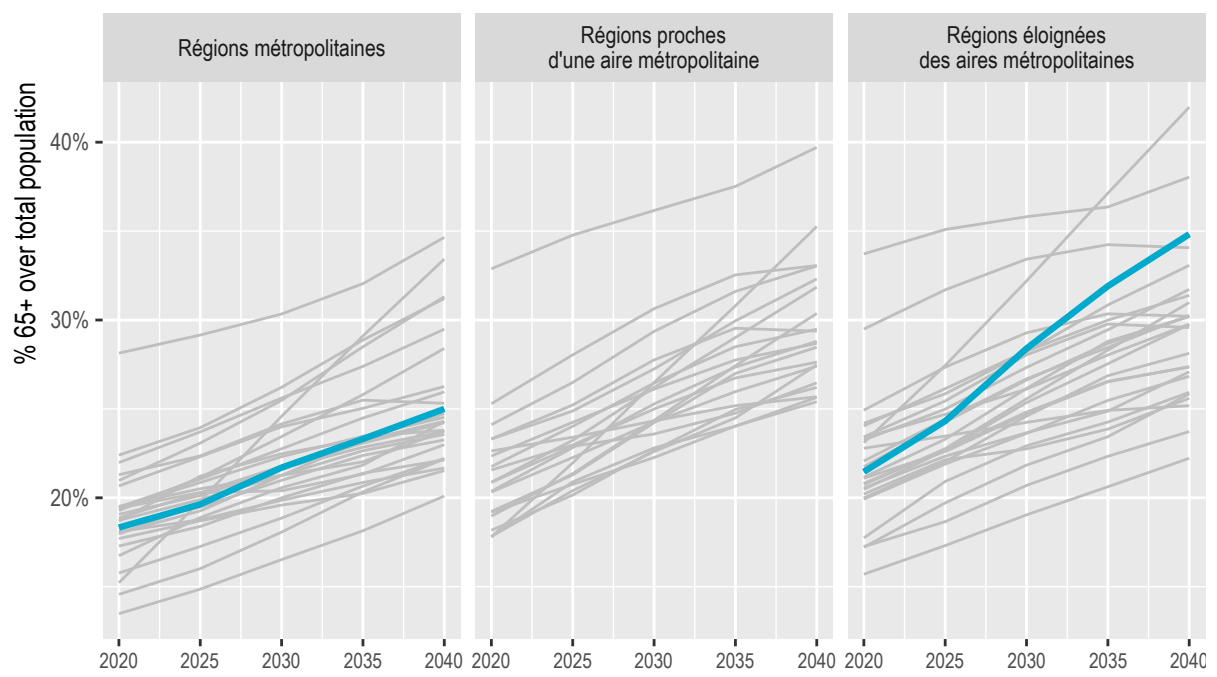


Figure 14: Evolution of the elderly population by type of region

Population in cities

Between 2010 and 2021, 83% of cities in Lithuania experienced a decline in population. Population growth ranged from -2.0% per year in Panevežys to 0.1% per year in Vilnius.

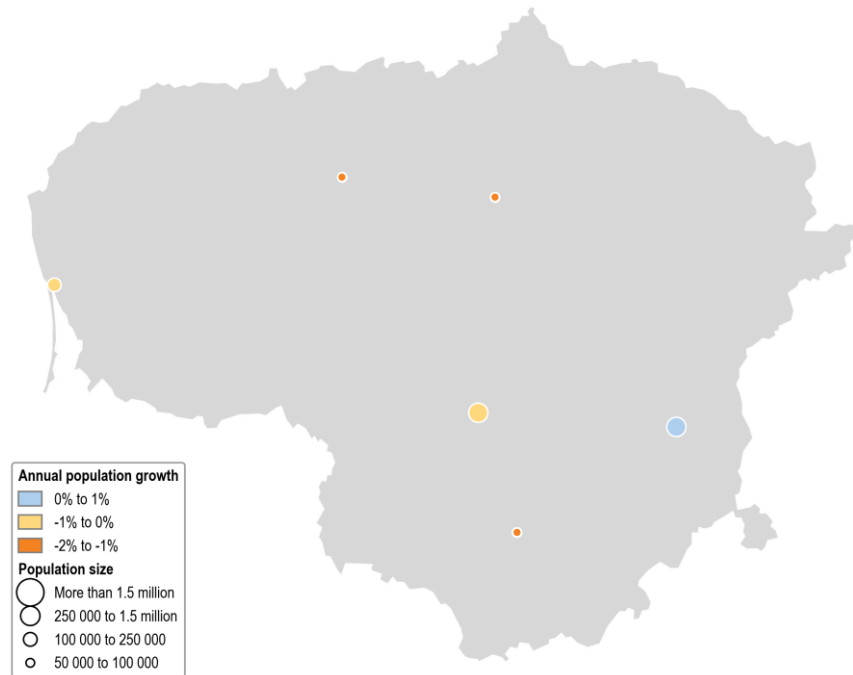


Figure 15: Population growth between 2010 and 2021

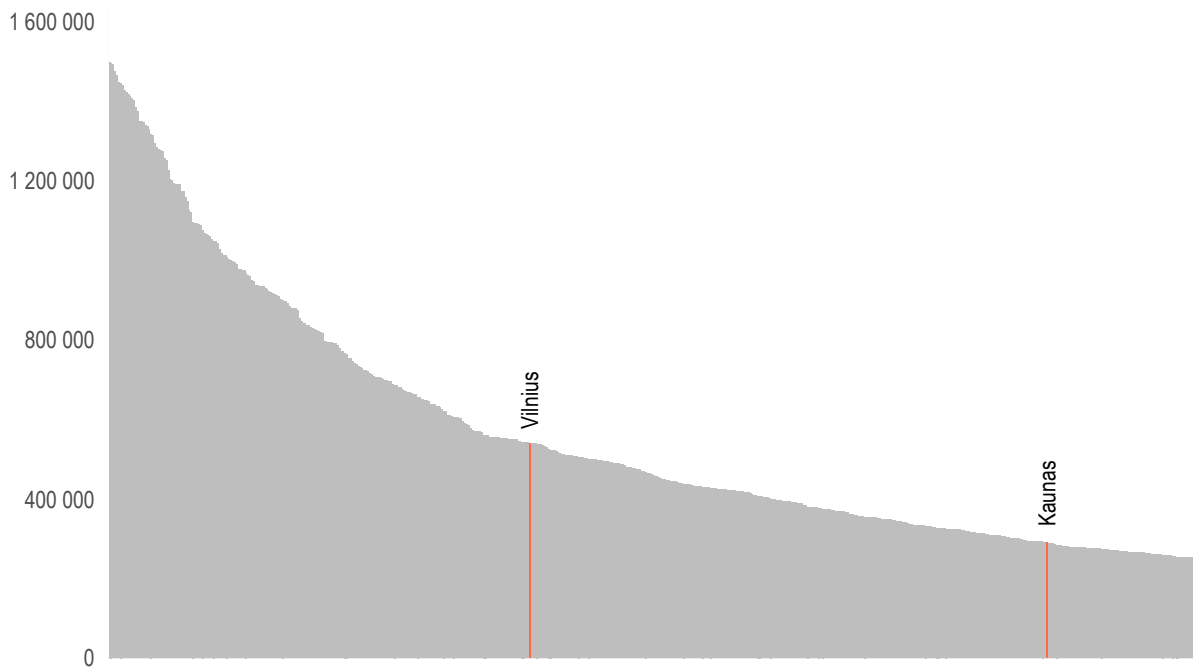


Figure 16: Population in OECD functional urban areas, 2021 or latest available year

Note: Cities refer to functional urban areas (Dijkstra, Poelman, and Veneri 2019). The boundaries of functional urban areas correspond to the [2020 Urban Audit](#). Population counts for the functional urban area are estimated from administrative regional data (TL3 regions, OECD regional database), using the population distribution from population grids. For readability, only a selection of cities are labelled.

Over the past decade, the population has decreased the least in Lithuanian cities with 250 000 to 1.5 million inhabitants. Cities with 50 000 to 100 000 inhabitants have seen their population shrink, on average.

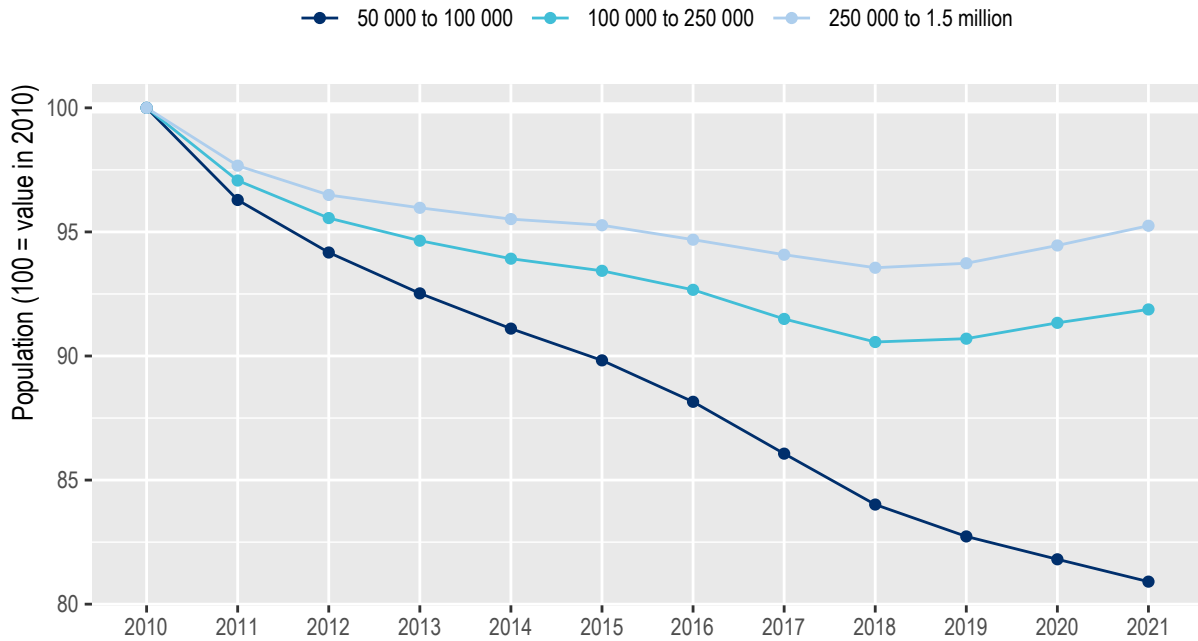


Figure 17: Population by size of functional urban area (100 = value in 2010), 2010-2021

Environmental challenges in regions and cities

Greenhouse gas emissions in regions

Since 1990, production-based greenhouse gas emissions have decreased in all Lithuanian regions. Klaipeda county (-30%) and Panevežys county (-72%) experienced the lowest and largest decline in emissions, respectively.

On average, Lithuanian regions decreased their emissions by 2.49% per year between 1990 and 2018. This is below the 1.93% yearly reduction rate needed to reach the EU target of a 55% reduction in emissions by 2030, with respect to 1990 levels.

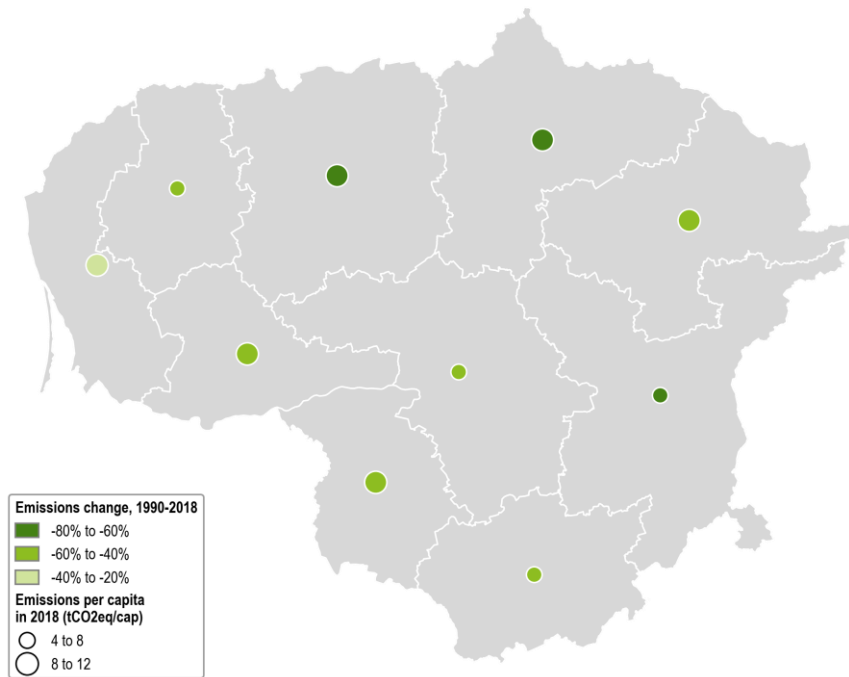


Figure 18: Change in production-based emissions in small regions, 1990-2018

Note: Bubbles are proportional to *per capita* greenhouse gas emissions, not to the overall level of greenhouse gas emissions in the region.
 Source: OECD calculations, based on the Emissions Database for Global Atmospheric Research (European Commission. Joint Research Centre. 2019).

In 2018, greenhouse gas emissions per capita in Lithuania were largest in Panevėžys county, Taurage county and Klaipėda county. Power accounts for the largest share of greenhouse gas emissions in Panevėžys county and Klaipėda county, while the transport sector accounts for most emissions in Taurage county.

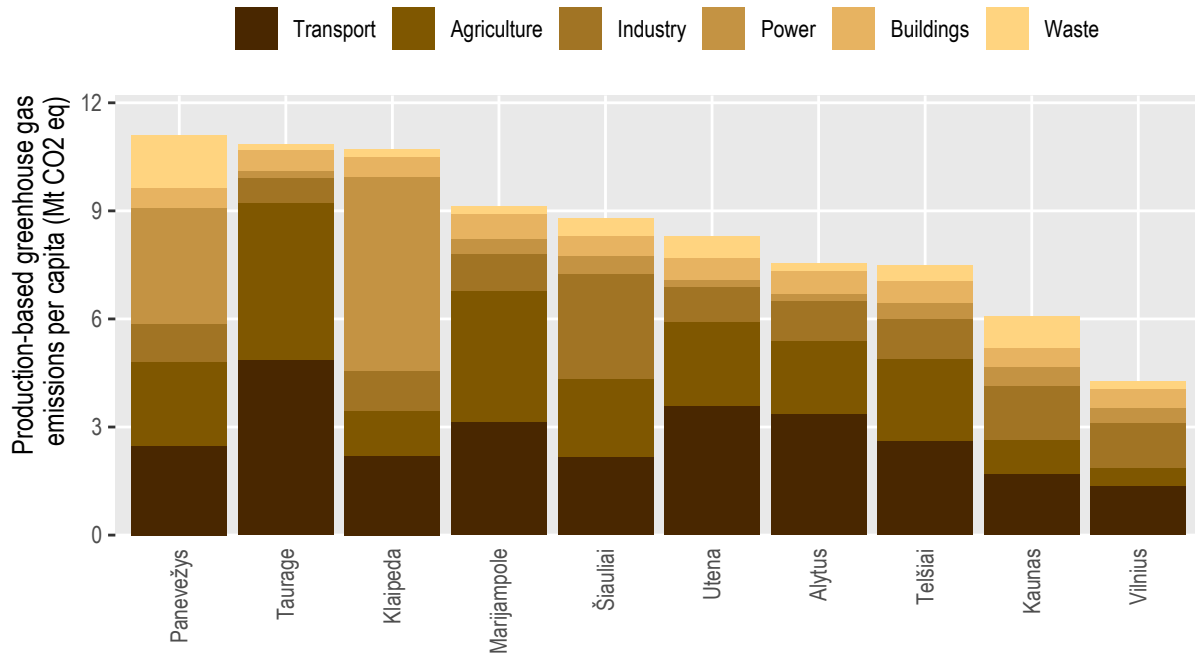


Figure 19: Production-based greenhouse gas emissions per capita in small regions, 2018

Note: Regions with low population counts may rank high in greenhouse gas emissions per capita while contributing relatively little to overall emissions in the country.

Urban heat island effect

In Lithuanian cities, the difference in temperature between cities and their surrounding areas (i.e. urban heat island intensity) reaches 2.5 degrees Celsius (°C). The largest effect is observed in Vilnius and Šiauliai, two cities that are, on average, 3.3°C and 2.9°C warmer than their surrounding areas, respectively.

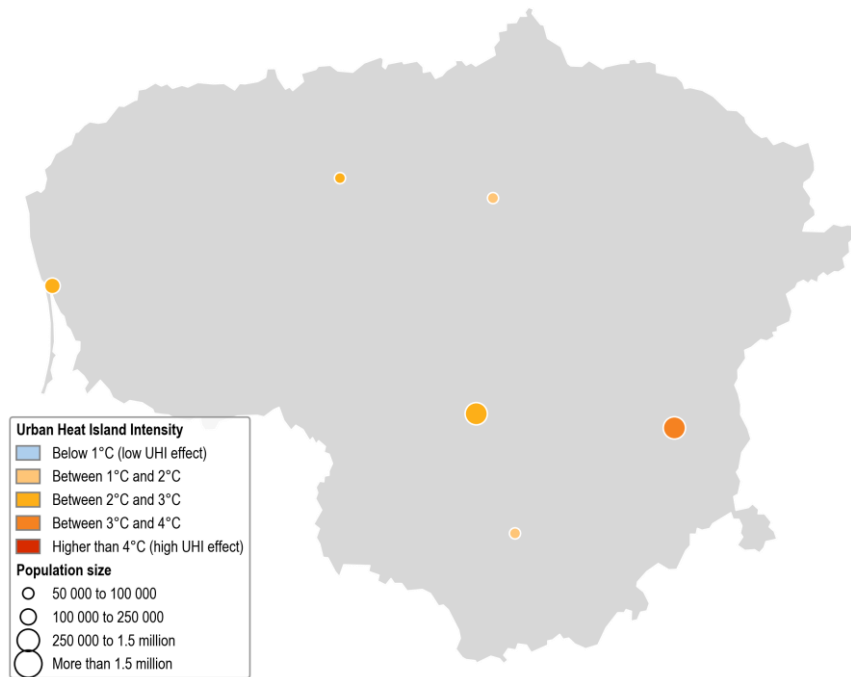


Figure 20: Urban heat island intensity index, 2021

Note: The Urban Heat Island Intensity (UHI) index is defined as the difference in land surface temperature between built-up areas and non-built-up areas within functional urban areas. This index can be affected by the type of vegetation and climate in non-built-up areas.

Source: OECD calculations, based on land surface temperature data from NASA's Moderate Resolution Imaging Spectroradiometer (MODIS) (Wan, Hook, and Hulley 2021a, 2021b)

References

Source of administrative boundaries: © OECD, © EuroGeographics, National Statistical Offices, © UN-FAO Global Administrative Unit Layers (GAUL)

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