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# EXECUTIVE SUMMARY AND RECOMMENDATIONS

Even though Lithuania is one of the few EU countries where lobbying is regulated by a specific law, the narrow definition of lobbying and insufficient systems for recording attempts to influence legislation determine that the vast majority of influence on decision-making takes place outside the scope of lobbying regulation and only a small share of actual influence is accounted for.

While there is very scarce publicly accessible information about different interests groups influencing legislative processes, business people in Lithuania name associations, registered lobbyists, trade unions and private companies as the most influential interests groups participating in decision making. There are general legal provisions requiring inclusive and open legislative processes, but the actual application of the legislative footprint is very limited. Only written proposals submitted during the official consultation procedures are recorded coherently and provided as supporting documents to the draft laws. Cost benefit analysis and other analytical approaches are used insufficiently making it complicated to evaluate the legislative proposals and ensure that legislation takes into account all arguments and the interests of all interests groups. The oversight of lobbying is not effective since the official mandate of the oversight institution, the Chief Official Ethics Commission, is limited by the legal definition of lobbying. In reality, the Chief Ethics Commission does not control lobbying as it only oversees the registered lobbyists. This also means that the current lobbyists' register is not an effective tool,

even for the small fraction of currently registered lobbyists and there is no effective sanctioning mechanism: the reports of registered lobbyists do not provide sufficient information on concrete interventions and the requirements for submission mean that they are not available until the February of the following year; by which point their influence would already have taken place. The legal framework criminalising trading in influence and bribery seems to be coherent, but currently there is no significant practice of applying the relevant criminal law articles for undue influence over unchecked lobbying.

All of this poses major risks of undue influence and influence trading, for example, allowing narrow interests groups to affect laws undermining the public interest. This may lead to distortion of the legal system, negatively affect different markets and industrial sectors or cause financial losses.

The report "Backstage Politics. Understanding Lobbying in Lithuania" examines lobbying practices in Lithuania, in particular looking at the transparency, integrity and equality of access to decision-makers to ensure that safeguards are in place to ensure ethical and fair lobbying practices. Transparency International Lithuania believes lobbying can be a positive force in a healthy democracy, but at present the regulations are completely inadequate and require urgent reform. Drawing from the findings of this report, here are the six most important recommendations for the Lithuanian decision makers.

- Lobbying should be clearly defined in law. The current legal definition of lobbying and lobbyists only comprises registered professional lobbyists, thus limiting the scope of regulation to this specific professional group. The definition of those who should be registered should be increased, so that all lobbying activities can be monitored and are open and transparent.
- The current regulations on lobbyists' registration and reporting should be changed to provide timely and concrete information about the aim and scope of lobbying activities. These reports have to be publicly accessible without additional efforts.
- Laws should require that all attempts to influence decision making are registered. The law makers should be obliged to ensure that a coherent legislative footprint exists allowing to know who has contributed to the development of legislation. The current obligation to record written submissions should be extended to informal submissions, comments and feedback provided in meetings and consultations etc.
- The current system of citizens' engagement and public consultations should be changed by creating an easy to use database of legal acts allowing interest groups to subscribe to updates on specific issues. The current system does not ensure an effective exercise of a right to engage in the legislative process.
- The role of the Chief Official Ethics Commission (COEC) in overseeing the implementation of the Law on Lobbying Activities should be reviewed ensuring that this institution has the means to actively engage in providing effective oversight. Its competences should be extended to monitor not only activities that fall to the current narrow definition of lobbying, but also actual influence to legislative processes. Also, it should be ensured that law enforcement institutions have sufficient resources to ensure effective oversight and prosecution of potential undue influence.
- The use of cost benefit analyses and other analytical approaches should be encouraged in legislation. All such analysis should be publicly accessible for all interest groups.

# I. INTRODUCTION

## LOBBYING IN LITHUANIA

"Politics seem to be made at the backstage. We know that there are many interest groups affecting legislation, but we only see the lead actors on the stage."  
Ruta Mrazauskaite,  
Transparency International Lithuania

### HOW PROTECTED IS LITHUANIA FROM UNDUE LOBBYING?

# 50%

**TRANSPARENCY**  
48%

The vast majority of actual influence on decision-making takes place outside the lobbying regulations and there is no effective legislative footprint in place.

**INTEGRITY**  
40%

Despite the existing general public sector integrity regulations, the overarching systemic problems in lobbying regulation determine that there is lack of integrity in how legislative processes in Lithuania are influenced.

**EQUALITY OF ACCESS**  
62%

In practice, it is often complicated for interest groups to timely contribute to all legal acts that might affect their interests.

[www.transparency.lt](http://www.transparency.lt) #cleanlobbying

Transparency International's report *Money, Power and Politics* (2012) found that in most European countries the influence of lobbyists is shrouded in secrecy and a major cause for concern. When undertaken with integrity and transparency, lobbying is a legitimate avenue for interest groups to be involved in the decisions that may affect them. However, problems arise when lobbying is non-transparent and unregulated and where privileged access is granted to a select few, while others are excluded from decision-making processes. Corporate lobbying in particular raises concerns because it often involves companies with vast sums at their disposal developing close relationships with lawmakers and thus gaining undue and unfair influence in a country's politics and policies.<sup>1</sup>

A recent Eurobarometer report revealed that 81 percent of Europeans agree that overly close links between business and politics in their country has led to corruption and more than a half believe that the only way to succeed in business in their country is through political connections. In Lithuania, respectively 85 and 73 percent of respondents agree.<sup>2</sup>

This corroborates data from Transparency International's Global Corruption Barometer 2013,

which found that in many European countries more than 50 percent of people believe that their country's government is to a large extent or entirely run by a few big interests: in Lithuania this figure is as high as 63 percent.<sup>3</sup>

This report is part of regional project involving the assessment of lobbying regulations and practices in 19 European countries.<sup>4</sup> It begins by mapping the lobbying landscape in Lithuania, providing a contextual analysis of the national historical, socio-political and legal situation with regards to lobbying. It then discusses the intensity and scale of lobbying efforts and the various cultural understandings of the term "lobbying" and perceptions of lobbying practices. Other relevant issues such as self-regulation and the role of the media and civil society as watchdogs in monitoring and reporting on lobbying are also discussed.

Finally, the report assesses the degree to which national regulation (public law and private self-regulation) adequately provides for *transparency* of lobbying activities and public decision-making, *integrity* in lobbying and conduct by public officials and equality of access to public decision-making processes, using a series of 65 assessment questions.<sup>5</sup>

<sup>1</sup> See Transparency International, *Money, Politics, Power: Corruption Risks in Europe* (Berlin: Transparency International, 2012). [www.transparency.org/enis/report](http://www.transparency.org/enis/report).

<sup>2</sup> See European Commission, *Eurobarometer: Special Report on Corruption* (Brussels: European Commission, 2014). [http://ec.europa.eu/dgs/home-affairs/what-we-do/policies/organized-crime-and-human-trafficking/corruption/anti-corruption-report/index\\_en.htm](http://ec.europa.eu/dgs/home-affairs/what-we-do/policies/organized-crime-and-human-trafficking/corruption/anti-corruption-report/index_en.htm).

<sup>3</sup> See Transparency International, *Global Corruption Barometer* (Berlin: Transparency International, 2013). <http://www.transparency.org/gcb2013/report>

<sup>4</sup> The participating countries are Austria, Bulgaria, Cyprus, Czech Republic, Estonia, France, Germany, Hungary, Ireland, Italy, Latvia, Lithuania, Netherlands, Poland, Portugal, Slovakia, Slovenia, Spain, and the United Kingdom.

<sup>5</sup> See Annex 2 for more details on the methodology and research approach used in this study.

## II. MAPPING THE LOBBYING LANDSCAPE IN LITHUANIA

### POLITICAL, SOCIAL AND LEGAL CONTEXT

*“Preparing cosmonaut suits to then see if there would be cosmonauts willing to try them on”*  
A. Grumadas

The first attempts to regulate lobbying activities in Lithuania came with the negotiations for European Union (EU) membership. While some experts claim that it is possible to identify minor regulatory proposals in earlier years, it was Lithuania's EU Accession Programme in 1999–2000 that first explicitly indicated the task of regulating lobbying.<sup>6</sup>

Many experts in Lithuania argue that the adopted Law on Lobbying Activities was not effectively implemented because the initiative to regulate lobbying was mainly caused by external factors and based on foreign practices instead of being a natural organic development of socio-political life in Lithuania.<sup>7</sup> As there was limited buy-in and internal agreement that the law was the right way to go, its adoption did not trigger all the *de facto* lobbyists to register and it did not become a catalyst for more accountability in the legislative process.<sup>8</sup>

Other reasons identified for the ineffective lobbying regulations were the failure to choose effective and adequate legal instruments and the peculiar socio-cultural context. For the latter, the most of-

ten quoted factors include the lack of a lobbying tradition, prevailing negative perceptions of lobbying related activities, high levels of corruption, legal loopholes that were not addressed accordingly and a persistent culture of post-Soviet mentality in some areas of political life.<sup>9</sup>

The context of the adoption of the Law on Lobbying Activities is vividly illustrated by a quotation from a then member of the parliament, A. Grumadas, in the parliamentary hearing. According to him, while the lobbyists of Capitol Hill would probably “envy the working conditions of those actually influencing decision-making in Lithuania”, the new law is aiming to “prepare cosmonaut suits and then see if there would be cosmonauts willing to try them on”.<sup>10</sup> There was a very limited lobbying culture in Lithuania; therefore the concern was that only very few self-identified lobbyists would be affected by the new law.

According to the preparatory documents, the declared goals for the law were to regulate lobbying activities in the stages of preparing and adopting

bills, provide liability for breaches of these regulations, prevent undue influence in decision-making and activate legislative processes.<sup>11</sup> During the preparations, different foreign legal models were analysed and the US model was selected for further analysis.

The law officially came into force on 1 January 2001,<sup>12</sup> with amendments in 2003 following heavy criticism from those defined as lobbyists by the legislation. They claimed that the definition of lobbying was too narrow and that by simply lobbying under associated organisations, and thus avoiding the legal obligations of reporting and registering, it was easy for others to circumvent the regulations; some lobbyists claimed that this amounted to unfair competition.<sup>13</sup> The 2003 amendments partly solved this issue by adding unpaid activities to the official definition of lobbying, but business associations that act solely as representatives of the interests of their members were still excluded from the definition of lobbying; this was still criticised as allowing easy circumvention.<sup>14</sup>

The post-regulatory situation in Lithuania was studied by professors J. Hrebenar and C. Thomas in 2005. Summarising their results, they noted that the lobbying system in Lithuania is rather primitive; representation of interests groups is still widely perceived as using personal connections and corrupt schemes without using modern lobbying technologies.<sup>15</sup> Furthermore, they noted that the vast majority of *de facto* lobbying related activities take place outside the regulations.<sup>16</sup>

It is now widely accepted that the Law on Lobbying Activities is not working. However there have not been many efforts to fix it in parliament.<sup>17</sup> Since 2005, the oversight institution for lobbying activities, the Chief Official Ethics Commission, has repeatedly noted in its annual reports that the law is not effectively implemented and does not fulfil its declared purposes due to a number of reasons. The major issues identified by the Commission focus on the definition of lobbying, as it is too narrow and based on the fact of registration instead of actual lobbying activities. It does not include business associations that

<sup>6</sup> Lithuanian Government Decree 29/09/1999 No. 1076.

<sup>7</sup> Ragauskas P. “Apie prielaidas neveikti lobistines veiklos teisiniu reguliavimui Lietuvoje”. Teisės problemos No. 3(73) 2011.

<sup>8</sup> Andrikiene L. (ed.) Šiuolaikinės lobistinės veiklos tendencijos. Lietuvos teisės universitetas, (Vilnius, 2002). [http://www2.laimaandrikiene.lt/repository/Monografija\\_lobizmas.pdf](http://www2.laimaandrikiene.lt/repository/Monografija_lobizmas.pdf).

<sup>9</sup> Lukošaitis A. “Lobizmas uzsienio salyse ir Lietuvoje: teisinio reguliavimo ir institucionalizacijos problemos”. Politologija. 2 (62) 2011.

<sup>10</sup> Ibid, P. 19.

<sup>11</sup> Implementing measures for the Lithuanian Government 1999-2000 Agenda, Part on Internal Policies, National legal system development chapter, para 8 (Lithuanian Government Decree 31/08/1999 No. 945).

<sup>12</sup> The law itself was adopted over a rather short period of time (draft bill was registered on 27th April, 2000 and adopted on 27th June).

<sup>13</sup> Rasimavičius B. Lobizmo institucijos problemos Lietuvoje. Justitia. 2001, 4-5:40.

<sup>14</sup> Geleževičius R. Lobizmo teisinis reguliavimas ir institucionalizacija Lietuvoje: Dešimtmečio išdavos ir pamokos. Socialinių mokslų studijos, 5(1), 2013, 177-191.

<sup>15</sup> Hrebenar R.J., Morgan B.B., Lobbying in America: A Reference Handbook (Santa Barbara: ABC-CLIO, 2009), 86.

<sup>16</sup> JAV mokslininkai: Lietuvos interesų grupių sistemai ir lobizmui – dar toli iki demokratiškos standartų. BNS, 31 July 2006. [www.delfi.lt/news/daily/lithuania/jav-mokslininkai-lietuvos-interesu-grupiu-sistemai-ir-lobizmui-dar-toli-iki-demokratiniu-standartu.d?id=10252305](http://www.delfi.lt/news/daily/lithuania/jav-mokslininkai-lietuvos-interesu-grupiu-sistemai-ir-lobizmui-dar-toli-iki-demokratiniu-standartu.d?id=10252305).

<sup>17</sup> Law on the Chief Official Ethics Commission. [http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=467704](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=467704).

represent the interests of their members or not-for-profit organisations (among others) – and the Commission is only assigned to oversee registered lobbyists as defined by the law. Other issues include inadequate registration fees for lobbyists, inconvenient reporting procedures and an inadequate timeframe for providing lobbying reports.<sup>18</sup> Summarising this in 2005, the Chief Official Ethics Commission prepared a new concept for amending the Law on Lobbying Activities and submitted it to the Parliamentary Anti-corruption Commission. In January 2006, a working group was formed in the parliament to prepare the amendments accordingly.<sup>19</sup> While the amendments were submitted to the parliament in May 2006, the process stalled.<sup>20</sup> The reasons of this remain unknown, but lack of political will is often quoted.

Despite all of this, in 2009, only the fact that no lobbying code of conduct exists was identified as one of the major problems<sup>21</sup> in the field of lobbying. While criticism has been on-going, it was only at the end of 2013 that an official working group was created by the Justice Ministry to review the existing regulations and prepare proposals for the much needed amendments.

As a result of a basically inoperable law, there have been virtually no cases of sanctioning ille-

gal lobbying activities. However, cases related to trading in influence<sup>22</sup> may be mentioned here. Lithuania ratified the international conventions criminalizing trading in influence in 2002-2006 (*Council of Europe Criminal Law Convention on Corruption in 2002, the United Nations Convention against Corruption in 2006*). Before 2011, trading in influence had been partly covered in Article 226 of the Lithuanian Criminal Code “Bribery of Intermediaries”,<sup>23</sup> but in 2011 the Criminal Code was amended changing Article 226 to “Trading in Influence”.<sup>24</sup> The amendment follows the wording of both conventions rather closely. The number of cases of trading in influence has been increasing over the years as the practice expands;<sup>25</sup> however, none of these cases have been directly related to illegal lobbying in the public domain.<sup>26</sup>

Liability and sanctions for breaching specifically the Law on Lobbying Activities is provided in the Code of Administrative Offences.<sup>27</sup> There have been no cases of applying this Code so far. Furthermore, the Code does not provide liability for legal persons, while the Law on Lobbying Activities explicitly allows both legal and natural persons to register as lobbyists. This means that companies (legal persons) who breach the law are not subject to any sanctions.

There is currently one pending criminal case involving accusations against a registered lobbyist. A. Romanovskis was indicted on corruption charges in 2012, in a case of potential bribery of MP V. Matuzas. He refused to testify, thus resulting in detainment for several weeks. In November 2013, the charges of bribery were dropped due to a lack of evidence and A. Romanovskis was indicted on charges of abuse of his official position. In January 2014, the media reported that the charges were related to potential undue influence but there have been no further clarifications so far.<sup>28</sup>

While some discrepancies exist in the legal framework on access to information, they alone would not pose a major risk to accountability in policy-making and legislative procedures. The right to information is enshrined in the Constitution and specific laws regulate that information from public institutions is provided in a rather coherent and detailed manner.<sup>29</sup> However, most of the interviewees noted that it is complicated to find out the influence behind particular laws and bills, since in most cases they are influenced “off record” without any documented trace. Therefore, most interactions between interest groups and decision-makers do not fall under the definition of “documents and information” in the access to information laws. While access to in-

formation acts as an important corruption risk management provision, which allows access to more information on the legislative process, it is not necessarily a significant tool in detecting and deterring undue influence.

Another problem of limited access to information relates to the notices for consultations on specific pieces of legislation. Lobbyist T. Vasilevskis, who represents Lithuanian companies in Brussels, criticises the political culture of communication in Lithuania, comparing the amount of information on draft bills and public hearings in EU institutions to the Lithuanian system. A so called “white lobbyist”, lobbying on behalf of non-profit goals, D. Mikalauskaite echoed these concerns saying that she virtually never receives relevant information about when and in what parliamentary committees the issues she is working on will be heard.<sup>30</sup> Other lobbyists did not uphold this concern claiming that “it is your duty as a good lobbyist to find out where and when specific hearings will take place and who to address on them”. However, during the interviews, all lobbyists agreed that it would be more convenient to have a system allowing them to subscribe to updates on specific regulatory fields, receiving notifications whenever related draft laws were discussed in the parliament or parliamentary committees.

<sup>18</sup> Official Annual Reports of the Chief Ethics Commission.

<sup>19</sup> Official Annual Report 2005 of the Chief Ethics Commission, 14–18. [www.vtek.lt/images/vtek/Dokumentai/Apie\\_mus/ataskaitos\\_seimui/ataskaita2005.pdf](http://www.vtek.lt/images/vtek/Dokumentai/Apie_mus/ataskaitos_seimui/ataskaita2005.pdf).

<sup>20</sup> Geleževičius R. Lobizmo teisinis reguliavimas ir institucionalizacija Lietuvoje: Dešimtmečio išdavos ir pamokos. *Socialinių mokslų studijos*, 5(1), 2013, 177–191.

<sup>21</sup> National Anti-Corruption Programme 2009 (national strategic document planning and coordinating anti-corruption efforts on the national and local levels). [http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=344466](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=344466).

<sup>22</sup> According to the UN Convention against corruption, trading in influence is the promise, offering or giving to a public official or any other person, directly or indirectly, of an undue advantage in order that the public official or the person abuse his or her real or supposed influence with a view to obtaining from an administration or public authority of the State Party an undue advantage for the original instigator of the act or for any other person; or The solicitation or acceptance by a public official or any other person, directly or indirectly, of an undue advantage for himself or herself or for another person in order that the public official or the person abuse his or her real or supposed influence with a view to obtaining from an administration or public authority of the State Party an undue advantage. (UN Convention Against Corruption, Art. 8, [http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=289044](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=289044).)

<sup>23</sup> Evaluating the legal environment around trading in influence, in 2009, GRECO recommended “incriminating trading in influence in line with Article 12 of the Criminal Law Convention on Corruption”, thus clarifying some notions of criminal responsibility in such cases and making sure that all cases of trading in influence fall under the national law. Evaluation Report on Lithuania on Incriminations (ETS 173 and 191, GPC 2) (Theme I) Adopted by GRECO at its 43rd Plenary Meeting (Strasbourg, 29 June–2 July 2009); Greco Eval III Rep (2008) 10E. [www.coe.int/t/dghl/monitoring/greco/evaluations/round3/GrecoEval3\(2008\)10\\_Lithuania\\_One\\_EN.pdf](http://www.coe.int/t/dghl/monitoring/greco/evaluations/round3/GrecoEval3(2008)10_Lithuania_One_EN.pdf).

<sup>24</sup> Law amending Article 226 of the Criminal Code. [www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=402516&p\\_tr2=2](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=402516&p_tr2=2).

<sup>25</sup> According to the data sets provided by the Information Technology and Communications Department under the Ministry of the Interior of the Republic of Lithuania, in 2013, 49 cases of potential trading in influence cases were registered in Lithuania. [www.ird.lt/infusions/report\\_manager/reports/html\\_file.php?metai=2013&menuo=9&ff=1G&fnr=9&rt=1&oldYear=2013](http://www.ird.lt/infusions/report_manager/reports/html_file.php?metai=2013&menuo=9&ff=1G&fnr=9&rt=1&oldYear=2013).

<sup>26</sup> For example, the latest pre-trial investigation was started in March, 2014 – an associate lawyer was suspected to have demanded a bribe from a person he was representing, suggesting that the bribe would be given to the judge aiming for a favourable decision in an administrative case. [www.15min.lt/naujiena/aktualu/nusikaltimaiirnelaimes/panevezietis-advokato-padejejas-itariamas-prekyba-poveikiu-59-411721](http://www.15min.lt/naujiena/aktualu/nusikaltimaiirnelaimes/panevezietis-advokato-padejejas-itariamas-prekyba-poveikiu-59-411721).

<sup>27</sup> Article 172/25 provides that breach of requirements of the Law on Lobbying Activities shall be fined between 500 and 1000 LTL (145-290 EUR) or, accordingly 1000-2000 LTL (290-580 EUR) for a repeated offence. The Code of Administrative Offences. [www3.lrs.lt/pls/inter2/dokpaieska.showdoc\\_l?p\\_id=463861](http://www3.lrs.lt/pls/inter2/dokpaieska.showdoc_l?p_id=463861).

<sup>28</sup> Korupcijos neradusi STT teismą verčia aiškintis, ar lobistas Andrius Romanovskis darė įtaką politikams. [www.15min.lt/naujiena/aktualu/nusikaltimaiirnelaimes/korupcijos-neradusi-stt-teisma-vercia-aiskintis-ar-lobistas-andrius-romanovskis-dare-itaka-politikams-59-400532](http://www.15min.lt/naujiena/aktualu/nusikaltimaiirnelaimes/korupcijos-neradusi-stt-teisma-vercia-aiskintis-ar-lobistas-andrius-romanovskis-dare-itaka-politikams-59-400532).

<sup>29</sup> Law of the Republic of Lithuania on the Right to Obtain Information From State and Municipal Institutions and Agencies, [www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=471234](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=471234); Law on Provision of Information to the Public, [www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=280580&p\\_query=&p\\_tr2=](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=280580&p_query=&p_tr2=); Constitution of the Republic of Lithuania, [www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=465070](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=465070).

<sup>30</sup> Public interviews in Užsiregistravusių lobistų – vienetai. Online portal [veidas.lt](http://veidas.lt), 17 January 2011. [www.veidas.lt/uzsiregistravusiuju-lobistu-vienetai](http://www.veidas.lt/uzsiregistravusiuju-lobistu-vienetai).

## ARE POLITICAL DONATIONS A PROBLEM IN THE LOBBYING CONTEXT?

In June 2009, the Baltic News Service (BNS) published an article reporting that the then Minister of Social Security and Labour, Jonas Dagys, had signed an order to assign EU funds to a private company, *Elektros zona* (Electricity Zone). This company, BNS reported, was among five companies that had donated 83,000 LTL in total for the politician when he ran in the parliamentary election in 2008. *Elektros zona* donated 16,000 LTL.<sup>31</sup>

While the order to assign EU funds (252,000 LTL) to this company was signed in 2009, an article in another media outlet, “*Lietuvos rytas*” implied that there might have been a conflict of interests.<sup>32</sup>

The head of the company, A. Lukasevicius was quoted as saying that he did not see any problems in the fact that his company received funding based on a document signed by a politician to whom they had made a generous donation previously: “we are friends both with him and the Conservative party”. The Minister also distributed a negation to these allegations, arguing that he could not have foreseen that he would become Minister and that according to official regulations all of the orders to assign EU funding must be signed by the Minister.<sup>33</sup>

The Chief Official Ethics Commission, based on this published information and following an analysis of additionally requested information, started an investigation.<sup>34</sup>

During the investigation, it was confirmed that Jonas Dagys in 2009 signed the order to assign EU funds (252,000 LTL) to a company that in 2008 had donated 16,000 LTL to him during the parliamentary elections. The Commission stated that this was a breach of public and private interests’ adjustment principles, as he had not abstained from the decision and had not declared a potential conflict of interest. J. Dagys appealed the decision of the Commission, first to Vilnius County Administrative Court, then to the Supreme Administrative Court (the highest in the judicial hierarchy). In 2011, the Supreme Administrative Court dismissed his request to annul the decision of the Commission, noting that J. Dagys indeed had to declare his conflict of interests to the prime minister.<sup>35</sup>

While in this case, the courts did not evaluate whether the decision to provide financial support for the company had otherwise been well grounded, this case illustrates why even lobbying executive politicians can have clear financial consequences as it might have direct influence on their executive orders and – as was in this case – funding allocation. Lack of records on meetings with different interest groups creates more space for allegations that politicians may be influenced unduly.

Furthermore, it illustrates how easily undue influence may be legalized for further stages of implementation. Since 2012, companies in Lithuania are banned from making donations to politicians and political parties, but both experts and law enforcement institutions note that this does not stop businesses from finding ways to support politicians, thus hoping for favorable decisions afterwards. The problem of close links between politicians and businesses remains an issue. There is a strong need for effective oversight of private interest declarations. At the same time, it is equally important that these declarations are public since the amount of such declarations suggests that it would be nearly impossible to ensure oversight by one institution. Furthermore, it is very important to ensure that such systems work in practice.

Virtually all of the interviewees noted that ties between businesses and political parties pose a clear threat to accountability and transparency in decision-making. While legal persons (companies) are prohibited from donating to parties and politicians and natural persons (individuals) are allowed only limited contributions to political campaigns,<sup>36</sup> the problem of indirect contributions remains. The interviewed representatives of the General Prosecution Office and Special Investigation Service noted that

businesses have already found ways to circumvent regulations and provide either “very big discounts for some of the services during political campaigns” or donate “off record” by providing cash contributions.

Based on the 2011 Lithuanian Map of Corruption survey, according to residents and civil servants, political parties fall into the top three most corrupt institutions in Lithuania along with the parliament and the courts.<sup>37</sup>

## INTENSITY AND SCALE OF LOBBYING

*“Those who do not know the lay of the land cannot manoeuvre their forces”  
Sun Tzu, Art of War*

According to the Chief Ethics Commission’s annual report, only 13 registered lobbyists were actively engaged in lobbying activities in 2012.<sup>38</sup> As of May 2014, there were 35 lobbyists on the official register; in the case of six the Chief Official Ethics Commission had suspended their licences.<sup>39</sup> As mentioned above, due to the loopholes in the Law on Lobbying Activities, a vast majority of actors that engage in lobbying are excluded from the lobbying definition and are thus not re-

quired to register. The Chief Official Ethics Commission itself has noted a number of times that registered lobbyists only comprise a small share of *de facto* lobbying activity.<sup>40</sup>

Due to this lack of clarity on the definition of lobbying, it is complicated to estimate the scale of lobbying activities. A tentative overview of public information regarding legal initiatives and legal amendments proposed by different interests

<sup>31</sup> Ministras R.Dagys rėmėjams atsilygina su kaupu (Atnaujinta 14.43), BNS 2009 June 2 d. 10:00, online news portal delfi.lt. www.delfi.lt/news/daily/lithuania/ministras-rdagys-re-mejams-atsilygina-su-kaupu.d?id=22440388#ixzz32RvU00wL.

<sup>32</sup> R.Dagys supainiojo viešus ir privačius interesus BNS ir lrytas.lt inf. 2010 June 7, online news portal lrytas.lt http://www.lrytas.lt/12759221721275441588-r-dagys-supainio-jo-vie%C5%A1us-ir-priva%C4%8Dius-interesus.htm.

<sup>33</sup> Ministras R.Dagys rėmėjams atsilygina su kaupu (Atnaujinta 14.43), BNS 2009 June 2 d. 10:00, online news portal delfi.lt. www.delfi.lt/news/daily/lithuania/ministras-rdagys-re-mejams-atsilygina-su-kaupu.d?id=22440388#ixzz32RvU00wL.

<sup>34</sup> Chief Official Ethics Commission Decision, 9 September 2009, No. KS-75. www.vtek.lt/vtek/index.php?option=com\_wrapper&view=wrapper&Itemid=48.

<sup>35</sup> Chief Official Ethics Commission press release, 2011 April 4. http://vtek.lt/vtek/index.php?option=com\_content&view=article&id=749%3A2011-04-04-teismas-svar-bi-ne-galimyb-realizuoti-pareig-nusialinti-bet-asmens-elgesys-susidarius-interes-konflikto-situacijai&catid=29%3Aatarnybins-etikos-normos-ir-j-gyvendinimas&Itemid=1.

<sup>36</sup> The Law on Financing and Financial Control of Political Parties and Political Campaigns provides that the maximum amount one natural person can donate to a political campaign is 10 times the average monthly wage. www3.lrs.lt/pls/inter3/dokpaieska.showdoc\_l?p\_id=462267.

<sup>37</sup> Sociological Representative Survey “Lithuanian Map of Corruption” 2011. (Vilnius: Special Investigation Service, VILMORUS, 2011) www.stt.lt/documents/soc\_tyrimai/Korupcijos\_zemelapis.pdf.

<sup>38</sup> Official Annual Report 2012 of the Chief Official Ethics Commission, p. 25. www.vtek.lt/vtek/images/vtek/Dokumentai/Apie\_mus/ataskaitos\_seimui/VTEK\_2012\_metu\_ataskaita.pdf.

<sup>39</sup> The register is public and accessible online. www.vtek.lt/vtek/index.php?option=com\_content&view=article&id=371&Itemid=41.

<sup>40</sup> Official Annual Report 2005 of the Chief Ethics Commission, p. 14–18, and subsequent annual reports. www.vtek.lt/images/vtek/Dokumentai/Apie\_mus/ataskaitos\_seimui/ataskaita2005.pdf.



groups provides that a vast majority of all *de facto* lobbying seems to be conducted by interest groups that are not required to register, i.e. trade and business associations, public institutions, etc.<sup>41</sup> This is further confirmed by sociological data.

According to a 2014 business survey *Attitudes towards Lobbying Activities*, only a small share of interest groups or their representatives use official legal instruments to influence decision-making in Lithuania. The most prevalent ways of influencing decisions are considered to be: using personal acquaintances (59 percent), offering financial incentives for favourable decisions (53 percent), donating or otherwise financially supporting political parties (53 percent), negotiating during unofficial meetings (52 percent) and promising employment for favourable decisions (39 percent). The more legitimate routes such as participation in official working groups (22 percent), participation in official meetings (19 percent) and official submission of legal proposals (18 percent) were the least mentioned options.<sup>42</sup>

More than a half (58 percent) of businesspeople in Lithuania admit to having heard that businesspeople and private individuals seek to influence decision-making; moreover, the vast majority also admitted to having heard of instances where politicians seek to benefit particular interest groups (77 percent) instead of taking into account the public interest.<sup>43</sup>

Therefore, there are no official and exact estimates on the number of *de facto* lobbyists. Due to this situation, it is complicated to evaluate the level of accountability of and trust in deci-

sion-making decreases. Only 6.4% of Lithuanians declare that they trust political parties;<sup>44</sup> and 68 percent of Lithuanian businesspeople claim that when decision-making lacks accountability, it is the citizens' trust that is harmed most (other identified negative outcomes include the harm for the financial well-being (66 percent), national budget (64 percent) and business/investment environment (64 percent)).<sup>45</sup>

According to Lithuanian businesspeople, associations (59 percent) are among the interest groups that are most active in seeking to influence decisions, along with registered lobbyists (52 percent), trade unions (41 percent) and companies (35 percent). These interest groups have also been claimed to be the most effective in their attempts to influence decisions.<sup>46</sup>

Some researchers even argue that such a situation where the most common types of *de facto* lobbying activities in Lithuania are informal (shadow), the law on lobbying is not operating and the relations between interests groups and politicians are mostly informal, amounts to a situation of "oligarch relations".<sup>47</sup>

In the same way it is difficult to estimate the most active sectors engaged in lobbying. According to a businesspeople survey, the top spheres where interest groups seek to influence decision-making are energy (81 percent), pharmacy and healthcare (58 percent), construction (65 percent), and alcohol and tobacco markets (58 and 53 percent). The same survey results suggest that politicians mostly take into account suggestions from interest groups working in the spheres related to energy, pharmacy and/or healthcare, and construction.<sup>48</sup>

According to a lobbying survey conducted by Burson-Marsteller, the most effective corporate lobbying efforts are in energy, healthcare, agriculture, IT/ telecommunications and financial services.<sup>49</sup> Out of these, energy, healthcare (and pharmaceuticals), IT/ telecommunications also emerged in

answers during the interviews conducted during this research. Interestingly, some of the interviewees noted that the sectors most affected by lobbying are actually the sectors that are most regulated. There were no distinctions drawn between national and regional lobbying sectors.

## CULTURAL UNDERSTANDING

This research suggests that lobbying does not seem to be high on the public agenda, as people do not fully understand the concept and policymakers do not seem to be too interested in raising it as an issue. While some researchers track different interest groups and their influence in the decision-making processes back to the period of the Soviet regime in Lithuania,<sup>50</sup> there has been no coherent tradition of lobbying in the country's history.

Most of the interviewees noted that the term "lobbying" itself seems to have negative connotations, even though it is clearly defined in the law as a legal activity.<sup>51</sup> Furthermore, they noted that since originally there was no tradition of lobbying, people often struggle to understand what kind of activities actually amount to legal lobbying and what is undue influence.

While registered lobbyists and some politicians raise the question and encourage discussion of related issues, lobbying is still more often perceived

as a business instead of being a coherent part of public policy or a tool to enable citizen participation in the legislative and policy process.<sup>52</sup> At the same time, there is a sense that there have been some positive changes in attitude as more Western conceptions of lobbying have begun to emerge.<sup>53</sup> This was also stressed by the lobbyists interviewed for this research.

There are two dominant perceptions of lobbying in Lithuania. The first is mainly promoted by registered lobbyists and follows the rationale of lobbying related activities being defined through the participation of different interests groups in the decision-making process. This definition also promotes the need for more awareness about lobbying related activities as a way to present lobbying in a more objective light.

The second that seems to prevail in society is the perception of lobbying as undue influence on decision-makers.<sup>54</sup> Even further, it seems that Lithuanians tend to think that the government

<sup>41</sup> See overview of media publications and press releases for 2012–2013 in Annex 4).

<sup>42</sup> Transparency International Lithuania, Business Survey "Attitudes Towards Lobbying Activities", (Vilnius: Transparency International Lithuanian Chapter, VILMORUS, 2014).

<sup>43</sup> Ibid.

<sup>44</sup> VILMORUS, Survey "Trust in Lithuanian Institutions" (Vilnius: VILMORUS, April 2014). <http://www.vilmorus.lt/index.php?mact=News%2ccontnt01%2cdetail%2c0&cntnt01articleid=2&cntnt01returnid=20>.

<sup>45</sup> Transparency International Lithuania, Business Survey "Attitudes Towards Lobbying Activities", (Vilnius: Transparency International Lithuanian Chapter, VILMORUS, 2014).

<sup>46</sup> Ibid.

<sup>47</sup> From the seminar on lobbying organised in the Parliament in 10 June 2011. Presentations of J. Novagrodckienė, A. Lukošaitis, overview with some quotes provided in the article in the news portal 15min.lt. [www.15min.lt/naujiena/aktualu/lietuva/pasiekti-politikus-lietuvoje-lengviau-per-blata-nei-per-oficialu-lobista-56-155251](http://www.15min.lt/naujiena/aktualu/lietuva/pasiekti-politikus-lietuvoje-lengviau-per-blata-nei-per-oficialu-lobista-56-155251).

<sup>48</sup> Transparency International Lithuania, Business Survey "Attitudes Towards Lobbying Activities", (Vilnius: Transparency International Lithuanian Chapter, VILMORUS, 2014).

<sup>49</sup> Burson-Marsteller, A Guide to Effective Lobbying in Europe. The View of Policy Makers (Brussels: Burson-Marsteller, 2013), p. 64, 69. [http://lobbyingsurvey.burson-marsteller.eu/wp-content/uploads/2013/05/european\\_lobbying\\_survey\\_2013.pdf](http://lobbyingsurvey.burson-marsteller.eu/wp-content/uploads/2013/05/european_lobbying_survey_2013.pdf).

<sup>50</sup> Andrikiienė L. (ed.) Šiuolaikinės lobistinės veiklos tendencijos. Lietuvos teisės universitetas, Vilnius, 2002, monografija, prieiga internete: [http://www2.laimaandrikiene.lt/repository/Monografija\\_Lobizmas.pdf](http://www2.laimaandrikiene.lt/repository/Monografija_Lobizmas.pdf) [žiūrėta 2014-04-20].

<sup>51</sup> Valdelyte E., Slavickaite L. 2000-2013 m. lobizmo ir lobistinės veiklos tendencijos Lietuvoje. Viešoji politika ir administravimas. 2014, T.13, Nr. 1/2014, t. 13, Nr. 1, p. 131–133 (P. 124-135).

<sup>52</sup> Rasimavicius A. Šiuolaikinės lobistinės veiklos tendencijos. L. Andrikiene (red.) Lobistinės veiklos praktiniai pavyzdžiai ir praktiniai patarimai. P 69-77. Vilnius: Lietuvos teisės universitetas, 2002.

<sup>53</sup> Sutkus V. Atstovavimas verslo interesams – politinės kultūros dalis straipsnis interneto portale veidas.lt, 2011 m. sausio 19 d. <http://www.veidas.lt/atstovavimas-verslo-interesams-%E2%80%93-politines-kulturos-dalis> [žiūrėta 2014-04-22].

<sup>54</sup> Leontjeva E. Interesų grupės, valdžia ir politika: metinės konferencijos tekstai. Interesų grupės, valdžia ir politika: pasiūlos ištakos. Vilnius: Pradai, 1998.

is to a large extent or entirely run by a few big entities acting on their own best interests.<sup>55</sup> As many interviewed experts also noted, lobbying related activities in Lithuania are often perceived as corrupt and illicit activities by shadow lobbyists. Such definitions dominate the public domain. Furthermore, many experts noted that public pressure along with the above mentioned loopholes in the national regulations thrust some interest groups into the shadow, thus confirming these perceptions.<sup>56</sup>

There seem to be conflicting perceptions on how politicians perceive lobbyists. While many politicians claim that they see lobbying in positive light, some lobbyists see it differently. According to one registered lobbyist, he had only

once heard a person being silenced in the public parliamentary hearings when requesting to voice concerns through a registered lobbyist. Another lobbyist, D. Mikalauskaite, claimed that politicians seem to be more benevolent to representatives of business associations who are less inclined to report their lobbying than the registered official lobbyists. According to her, “it is obvious from the Parliamentary hearings where such representatives get more time to present their arguments.<sup>57</sup> Sometimes the registered lobbyists even have to struggle to obtain permission to enter the premises of public institutions, thus looking for a “blat” (a Russian term deriving from the Soviet Union, usually describing societal networks, where people exchange favours) in the secretariat”.<sup>58</sup>

## SELF-REGULATION OF LOBBYIST'S ACTIVITIES

*“Currently, there is nothing to self-regulate”  
Interview with a lobbyist*

All of the interviewed experts, politicians, lobbyists and representatives of oversight institutions noted that while registered lobbyists are interested in a more accountable process aimed at fairer competition, they only represent a small share of *de facto* lobbyists. Their efforts in promoting more accountable and regulated lobbying activities are usually limited to compliance with the regulations and publicly endorsing the need for reforms in this field. Such a situation

does not come as a surprise and does not seem to be unique to Lithuania.

Although it is widely assumed that professional lobbyists in Europe tend to oppose the creation of a lobbyist registry or public disclosure of their lobbying activity, a survey by the OECD shows evidence that lobbyists are in fact willing to participate in a registry, even a mandatory one (61%), and disclose information publicly on the Internet (82%).<sup>59</sup>

In Lithuania there have not been any significant self-regulation initiatives by lobbyists or businesses. A Code of Conduct for Lobbyists<sup>60</sup> – usually considered a self-regulatory tool – was prepared by the Chief Official Ethics Commission (as was foreseen in the Law on Lobbying Activities),<sup>61</sup> and there is a legal obligation for lobbyists to comply with the Code.<sup>62</sup>

There seems to be a professional association of lobbyists in Lithuania, the National Lobbyists Association, but none of the interviewed active lobbyists could provide information on whether it is actually effective or even active.<sup>63</sup> It seems that it was created to participate in drafting some legal acts, but then failed to develop sustainably. The Association of Public Relations Agencies currently unites 16 Lithuanian agencies providing public relations and consultation services. The Association was established on 17 February 2009, with the aim of ensuring ethical and professional standards among the agencies, improving the business environment in this field and following strict ethical standards in their operations.<sup>64</sup> While the Association's Code of Ethics does not explicitly mention any commitment to accountability in influencing decision-making, it does declare an aim to follow the standards of “personal and professional accountability, integrity, transparency and honour principles”.<sup>65</sup>

An interesting trend re-emerged throughout the interviews with both lobbyists and representatives of oversight institutions. They were not hopeful about self-regulation alone actually working to increase accountability. However, they stressed that foreign companies operating in Lithuania are more inclined to follow higher standards of accountability in lobbying due to their international ethics standards. Currently, only a few of the officially registered lobbyists are actually private companies, but the interviewees note that international companies operating in Lithuania are less likely to engage in shadow lobbying and are more ready to hire professional lobbyists.

In general, the situation on self-regulation of lobbying is vividly illustrated by a quotation of one expert interviewed for this research: “there is nothing to self-regulate currently; there is no effective community of lobbyists at all”.

At the same time, some organisations, regardless of whether or not they are covered by official lobbying definitions, provide reports on their attempts to affect decision-making. Often, this is done as part of advocacy work, but it also emphasises that some reporting may simply be done voluntarily.

<sup>55</sup> Transparency International, Global Corruption Barometer 2013: 63% of Lithuanians believe that their government is to a large extent or entirely run by a few big entities acting in their own interests: [www.transparency.org/gcb2013/country/?country=lithuania](http://www.transparency.org/gcb2013/country/?country=lithuania).

<sup>56</sup> Lukosaitis A. Interesų grupės Lietuvoje: raidos dinamika ir institucionalizacijos bruožai. *Politologija*, 2(18) 2000, p. 85–114.

<sup>57</sup> Public interviews in article Užsiregistravusių lobistų – vienetai. Online portal [veidas.lt](http://veidas.lt), 17 January 2011. [www.veidas.lt/uzsiregistravusiuju-%E2%80%93vienetai](http://www.veidas.lt/uzsiregistravusiuju-%E2%80%93vienetai).

<sup>58</sup> Transparency International Lithuania, interview with A. Romanovskis, originally aired in October 2013 on “Ziniu radijas”, transcription accessible online. <http://lzinios.lt/lzinios/Lietuvoje/lietuvoje-klesti-seselinis-lobizmas/164494>.

<sup>59</sup> OECD, “Lobbyists’ Attitudes Toward Self-Regulation and Regulation of Lobbying in Europe.” In *Lobbyists, Governments and Public Trust*, Volume 2: Promoting Integrity through Self-regulation (Paris: OECD, 20 September 2012), p. 67–87.

<sup>60</sup> The full Code of Conduct for Lobbyists. [www.vtek.lt/vtek/index.php?option=com\\_content&view=article&id=370&Itemid=40](http://www.vtek.lt/vtek/index.php?option=com_content&view=article&id=370&Itemid=40).

<sup>61</sup> Article 13, para 1, sub para 4. [www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=437586](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=437586).

<sup>62</sup> Article 4, para 2, sub para 2. [www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=437586](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=437586).

<sup>63</sup> Contact details are provided online ([www.infolex.lt/portal/start.asp?act=org&org=49&id=1952](http://www.infolex.lt/portal/start.asp?act=org&org=49&id=1952)), but according to the representative of the Chief Ethics Commission, the Association has been silent since 2005. The interviewed lobbyists were not able to provide any information about the recent activities of the Association either.

<sup>64</sup> The official website of the Association of Public Relations Agencies: [www.rsva.lt/english/](http://www.rsva.lt/english/).

<sup>65</sup> The official website of the Association of Public Relations Agencies, Code of Conduct: [www.rsva.lt/etikos-kodeksas/](http://www.rsva.lt/etikos-kodeksas/).

## REPORTING VOLUNTARILY

*In 2012 Law on Charity and Sponsorship was amended providing regulations for the set up and running of endowment funds.<sup>66</sup> According to the lobbyists and politicians, the idea had been proposed and lobbied for by NGO sector representatives. While these representatives were not registered as lobbyists (as the law currently does not require NGOs to register), they all reported their activities in their press releases and lobbying was conducted during official parliamentary hearings in the committees and by organizing public discussions and preparing studies.<sup>67</sup> One of the main initiators of this law was A. Pemkus, then a member of the boards in different NGOs and the head of a PR agency, who claimed that this is a very positive development allowing for innovations and further development of transparent and integral NGOs.<sup>68</sup>*

*In March 2014, the Human Rights Monitoring Institute (national human rights NGO) submitted proposals for the draft law amending the Criminal Procedures Code using the general legislative procedure, allowing the participation of multiple actors. While the same proposals had been submitted a year ago to the Ministry of Justice they had not been taken into account at that stage. This time, the Human Rights Monitoring Institute included the international NGO Fair Trials International in the process. The proposals were presented during the official hearing in the Law and Order Committee in the parliament by representatives of the NGO. This time, most of the proposed amendments were taken into account. The official agendas of these hearings were published online in the parliamentary website<sup>69</sup> and the NGO provided information on participation in this legislative process in its annual report.<sup>70</sup>*

*These examples provide that while there already are some NGOs that would be prepared to disclose their de facto lobbying activities, the current framework does not provide clear guidelines either on how such activities should be defined, or how to manage the risks of undue influence in cases where NGOs are only used for cover.*

## WATCHDOGS: THE ROLE OF MEDIA AND CIVIL SOCIETY IN MONITORING LOBBYING

In general, there is a favourable legal framework covering the work and independence of the media. Lithuania has repeatedly scored as “satisfactory” in international indexes for media independence.<sup>71</sup> However, in practice insufficient restrictions on the media concentration and complicated economic conditions of the media outlets reduce the variety of content.

The transparency of media organisations is insufficient and the ethical self-regulatory system is not effective enough. Media accountability is legally well covered, but it is not extensively developed in practice and media outlets often fail to meet the legal standards of accountability. Investigative journalism is under-developed and attempts by the media to inform the public of corruption issues and their impact are quite limited.<sup>72</sup> This is probably the reason that the media does not play any significant role in monitoring lobbying.

During the interviews, interviewees also noted that lobbying is not really a “hot topic” on the public agenda, thus making it unattractive and too complicated to write about in the media. The few examples of journalists actually reporting on lobbying are limited to general articles interviewing politicians and lobbyists about the greatest issues of accountability in legislation (most of these articles are quoted in this research).

The role of civil society in regard to the lobbying issue is extremely low. Aside from the NGOs that engage in non-profit lobbying activities,<sup>73</sup> NGOs rarely have anything to do with lobbying monitoring or oversight. NGOs have also claimed that they do not have sufficient human resources, and that they face difficulties in attracting donors, which makes it hard to operate effectively.<sup>74</sup> There are currently no examples of citizens’ initiatives for monitoring lobbying or related issues.

<sup>66</sup> Parliamentary Press Release, 19 June 2012: [www3.lrs.lt/pls/inter/w5\\_show?p\\_r=4445&p\\_k=1&p\\_d=126559](http://www3.lrs.lt/pls/inter/w5_show?p_r=4445&p_k=1&p_d=126559).

<sup>67</sup> Nelieciamojo fondo koncepcijos teisine analize bendros priedaidos efektyviam jos veikimui ir galimybës Lietuvoje (Vilnius: NVO teisës institutas, 2007). See: [www.nvoteise.lt/files/u4/Tyrimas\\_nelieciamas\\_fondas.pdf](http://www.nvoteise.lt/files/u4/Tyrimas_nelieciamas_fondas.pdf).

<sup>68</sup> R. Rutkauskaitė. Lietuvių nobeliai gales užsitikrinti nemirtingumą. Online news portal vz.lt (12/2012). See: <http://laikrastis.vz.lt/index.php?act=mprasa&sub=page&id=1058&page=17184&type=1&z=60>.

<sup>69</sup> Parliamentary agenda 20th March 2014 SeimSee: [http://www3.lrs.lt/pls/inter/w5\\_sale.darbotvarke?p\\_data=20140320](http://www3.lrs.lt/pls/inter/w5_sale.darbotvarke?p_data=20140320).

<sup>70</sup> Human Rights Monitoring Institute Annual Report 2013 See: <http://www.hrmi.lt/musu-darbai/teisekura/2013/>.

<sup>71</sup> For example, Reporters Without Borders has been ranking Lithuania among satisfactory countries, not citing any significant breaches of freedom of media. <http://en.rsf.org/lithuania.html>.

<sup>72</sup> Media (D. Jastramskis) in Transparency International Lithuania, National Integrity Study (Vilnius: Transparency International Lithuania, 2012). <http://transparency.lt/research/national-integrity-study/>.

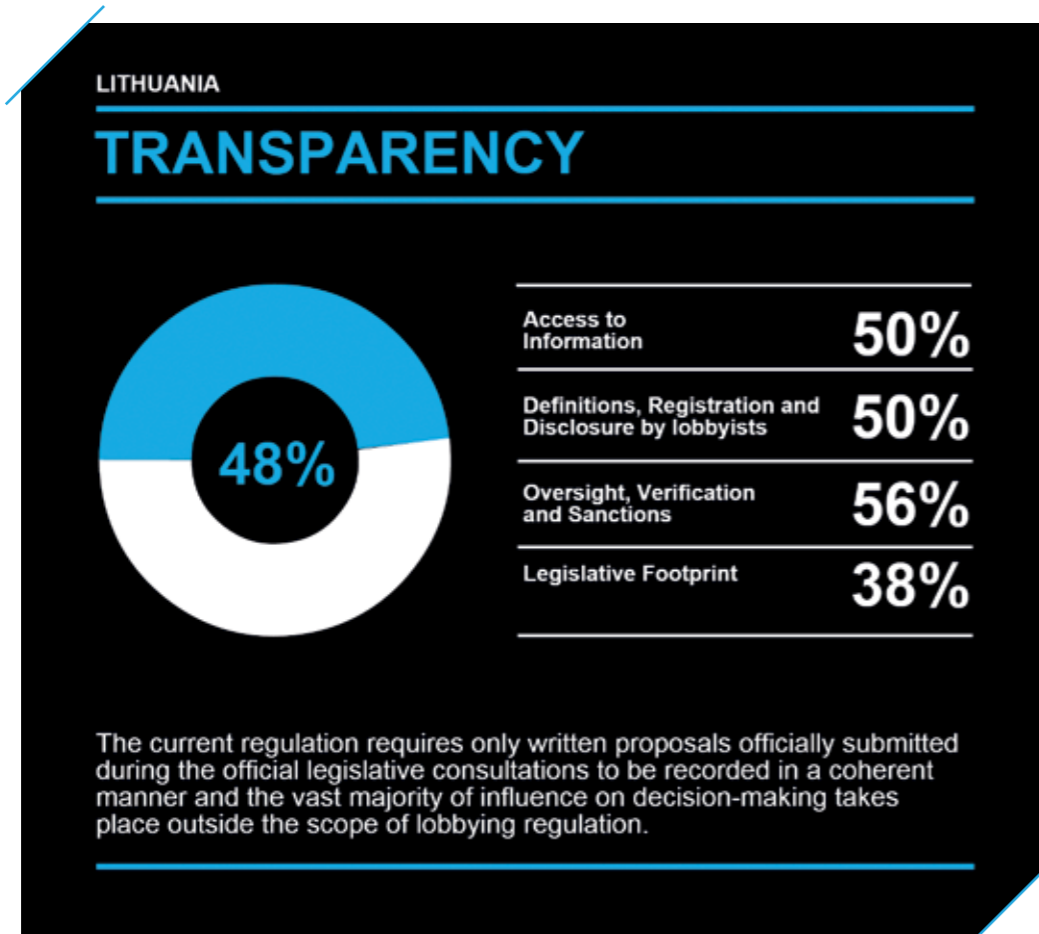
<sup>73</sup> Environment, human rights and health care have been identified as the sectors with the most effective NGO lobbying efforts. Burson-Marsteller, A Guide to Effective Lobbying, 2013.

<sup>74</sup> Civil Society (E.K. Ragauskienė) in Transparency International Lithuania, National Integrity Study, 2012. <http://transparency.lt/research/national-integrity-study/>.

### III: REGULATING LOBBYING: TRANSPARENCY, INTEGRITY AND EQUALITY OF ACCESS

#### TOWARDS TRANSPARENCY IN LOBBYING

This section provides a more detailed assessment of the regulation of lobbying and related activities in Lithuania, with a focus on transparency, *integrity* measures and *equality* of access to decision-makers.



When looking at transparency around lobbying practices, the research sought to answer the following overarching questions: to what extent does the public have sufficient knowledge of (a) who is lobbying public representatives; (b) on what issues they are being lobbied; (c) when and how they are being lobbied; (d) how much is being spent in the process; (e) what is the result of these lobbying efforts etc.? It also sought to investigate whether the onus for transparency is placed on both lobbyists and public officials/representatives. The findings offer a rather bleak picture with regard to transparency of lobbying in Lithuania.

The declared goals of the Law on Lobbying Activities were to regulate lobbying activities in the stages of preparing and adopting bills, to provide liability for breaches of these regulations, prevent undue influence in decision-making and activate legislative processes.<sup>75</sup> The law itself provides that it aims to ensure publicity and transparency and prevent illegal lobbying activities.<sup>76</sup> However, the many loopholes contained in the law and its limited definition of lobbying that fails to capture much of the de facto lobbying that takes place in Lithuania poses serious questions about its effectiveness.

First, the legal definition of lobbyists in Lithuania creates many exemptions and grey zones allowing de facto lobbying “off the record”. A “lobbyist” in Lithuania is defined as a natural or legal person recorded in the Register of Lobbyists in accordance with the procedure laid down by the Law on Lobbying Activities.<sup>77</sup> In other words, it is hard to objectively establish who should register and the entire system is often approached assuming that those who register become lobbyists, as opposed to the approach where those who lobby need to register.

Moreover, the definition of “lobbying activities” is very narrow and does not provide adequate clarity. According to the law, “lobbying activities” are defined as actions taken by a natural or legal person for or without compensation in an attempt to exert influence to have, in the interests of the client of the lobbying activities, legal acts modified or repealed, or new legal acts adopted or rejected.<sup>78</sup>

The law provides a detailed list of activities and actors that may not be considered lobbying or

lobbyists, but it does not really add much more clarity to the legislative process. These exceptions include the mass media (except when owners, publishers or employees of the mass media receive remuneration for lobbying activities); the activities of persons who officially participate as experts or specialists for or without compensation in the preparation, consideration or explanation of draft legal acts; state politicians; state officials or civil servants (when such activities are carried out in accordance with their official powers granted to them by legal acts); activities of non-profit organisations aimed at exerting influence in the common interest of their members to have legal acts modified or repealed, new legal acts adopted or rejected; activities of scientists (pedagogues) (except when they act in the interests of a client of lobbying activities); an opinion expressed by a natural person regarding modification or repeal of legal acts, adoption or rejection of new legal acts (except when that natural person acts in the interests of a client of lobbying activities).<sup>79</sup>

Alarming, actors identified as the most active *de facto* lobbyists by the interviewees are not covered by the legal definition of lobbyists at all. Therefore, it seems that most of the de facto lobbyists do not have to officially register and the vast majority of lobbying activities are “off the record” as elaborated above. Companies acting in their own interests, business associations, trade unions, religious organisations, various public institutions, and non-profits are usually named to be the most active de facto lobbyists and yet none of them are defined as lobbyists in the legal sense.<sup>80</sup>

Lithuanian businesses identify interest represen-

<sup>75</sup> Implementing measures for the Lithuanian Government 1999–2000 Agenda, Part on Internal Policies, National Legal System Development chapter, para 8 (Lithuanian Government Decree 31/08/1999 No. 945).

<sup>76</sup> Article 1, Law on Lobbying Activities, [www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=437586](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=437586).

<sup>77</sup> Ibid.

<sup>78</sup> Article 2, Law on Lobbying Activities.

<sup>79</sup> Article 7, Law on Lobbying Activities.

<sup>80</sup> Law on Lobbying Activities; Ragauskas P. Apie prielaidas neveikti lobistines veiklos teisiniam reguliavimui Lietuvoje. Teisės problemos, No. 3(73), 2011, P 88.

tation among the major benefits of being in an association (46 percent of businesses perceive interest representation and problem solving to be the major benefit of being in a business association): associations (59 percent) are among the interests groups that are most active in seeking to influence decisions, along with registered lobbyists (52 percent), trade unions (41 percent) and companies (35 percent). It is also claimed that these interests groups are the most effective in their attempts to influence decisions.<sup>81</sup>

Interestingly, several business associations have been assigned offices on the premises of the government and are listed in the official contact list as “representatives to the Government”.<sup>82</sup> While the fact that the contacts of these institutions are public is positive, the fact that they would not fall under the lobbying regulations mean that there is no publicly accessible information about their particular input to laws.

On a similar note, according to a study by Burson-Marsteller, trade associations and NGOs best match the definition of a “lobbyist”; trade associations and companies have also been identified as the most effective “lobbyists”.<sup>83</sup> Law firms were identified as “somewhat” effective lobbyists by some of the interviewees, who noted that such firms often engage in paid services for legal con-

sultations in “drafting legal documents” that often might mean preparing written legal proposals for decision-makers; it is only natural that in some cases the law firms also engage in further promoting such drafts using their own connections.

Also there are interesting results available from a small poll survey in 2011, where members of parliament and government representatives were asked to identify the top five most active lobbyists. Of these none were registered as their activities would not fall under the legal definition of lobbying; they were either representatives of business associations or companies acting in their own interests.<sup>84</sup>

Despite all of this, the representatives of business associations that are often said to engage in lobbying related activities do not seem to perceive their activities as lobbying. In 2011, for example, the president of the Alcoholic Beverages Traders’ Association, L. Vilimas, noted that the activities of the association have “nothing to do with lobbying”, but rather aim to provide politicians “with arguments and needs of the traders” and therefore “there is no need for us to register as a lobbyist”.<sup>85</sup> Meanwhile, in an unofficial survey poll conducted by the journalists, L. Vilimas was reported to have been one of the most active lobbyists in 2011.<sup>86</sup> Interestingly, it was the

year that the amendments in the laws regulating trading of alcoholic beverages and excise reduction were taking place. Both of these parliamentary decisions were later vetoed by the president citing “open lobbying activities of particular interests groups”.<sup>87</sup> After hearings in parliament, MP Z. Silgalis also declared that, “the Parliament is obviously ruled by lobbying of alcohol”.<sup>88</sup>

The business representatives interviewed noted that it is “only natural that business associations represent the interests of their members”. According to the executives of some of the leading business associations, they do not mind disclosing which legal acts and to what extent they are seeking to influence, but the current system does not offer an easy solution for that and the current regulations do not require it. It seems that business representatives and business associations not registering as lobbyists would not be a problem in itself, if there were an accountable and open decision-making procedure based on publicly accessible arguments, ensuring that their inputs were recorded and publicly accessible.

In 2005, the Chief Official Ethics Commission investigated two cases of potentially illegal lobbying. In the first case, the activities of the executive directors of two companies, UAB Orakulas and UAB Top Sport were investigated. They

were both acting on behalf of the Alliance of Betting Operators aiming to amend the Gaming Law and engaging in activities to affect the law without a registered lobbyist. The Alliance’s Charter establishes that its main goal is to participate in preparing laws and other bills in the field of betting games. As the Law on Lobbying Activities provides that the activities of non-profit organisations in their own members’ interests does not constitute lobbying, the Chief Official Ethics Commission concluded that there had been no breach of the law. Another investigation came to an identical conclusion. In 2012, the Chief Ethics Commission received a request to investigate the activities of the National Gambling and Gaming Association; this time the Chief Ethics Commission did not even start the investigation citing the same argument.<sup>89</sup>

A major loophole in the current legislation is the fact that companies acting on behalf of their own interests do not need to register as lobbyists and the potential risks posed by the exemption of direct lobbying activities is vividly illustrated by the case of Gazprom - E.ON Ruhrgas International GmbH. In this case, the Chief Official Ethics Commission seems to have been forced to acknowledge that acts of direct lobbying did not fall in the legal definitions of lobbying despite being widely practised.

<sup>81</sup> Transparency International Lithuania, Business Survey “Attitudes Towards Lobbying Activities”, (Vilnius: Transparency International Lithuanian Chapter, VILMORUS, 2014).

<sup>82</sup> Official website of the Government. <http://lv.lt/lt/kontaktai/vyriausybes-kanceliarijos-kontaktai/>.

<sup>83</sup> Lobbying survey conducted by Burson-Marsteller, A Guide to Effective Lobbying, 2013, P. 64, 69.

<sup>84</sup> A survey was conducted by Prime Consulting on the request of local media outlet “Veidas” – it does not aim to be sociologically representative, but to rather overview the emerging trends: Užsiregistravusių lobistų – vienetai. Online portal veidas.lt, 17 January 2011. [www.veidas.lt/uzsiregistravusiuju-%E2%80%93-vienetai](http://www.veidas.lt/uzsiregistravusiuju-%E2%80%93-vienetai).

<sup>85</sup> Public comment of L. Vilimas in an interview: Užsiregistravusių lobistų – vienetai. Online portal veidas.lt, 17 January 2011. [www.veidas.lt/uzsiregistravusiuju-%E2%80%93-vienetai](http://www.veidas.lt/uzsiregistravusiuju-%E2%80%93-vienetai).

<sup>86</sup> Užsiregistravusių lobistų – vienetai. Online portal veidas.lt, 17 January 2011. [www.veidas.lt/uzsiregistravusiuju-%E2%80%93-vienetai](http://www.veidas.lt/uzsiregistravusiuju-%E2%80%93-vienetai).

<sup>87</sup> Prezidentė vetavo pataisas dėl mažesnio alkoholio akcizo ir pailginto prekybos juo laiko (Baltic News Service press release). See: [www.bernardinai.lt/straipsnis/2010-12-13-prezidente-vetavo-pataisas-del-mazesnio-alkoholio-akcizo-ir-pailginto-prekybos-juo-laiko/54559](http://www.bernardinai.lt/straipsnis/2010-12-13-prezidente-vetavo-pataisas-del-mazesnio-alkoholio-akcizo-ir-pailginto-prekybos-juo-laiko/54559); Jūratė Abličinskaitė. Po prezidentės nepritarimo atviram lobizmui – smalsumas, kas yra lobistinė veikla [www.zurnalistika-kitaip.lt/ivairenybes/po-prezidentės-nepritarimo-atviram-lobizmui-smalsumas-kas-yra-lobistine-veikla](http://www.zurnalistika-kitaip.lt/ivairenybes/po-prezidentės-nepritarimo-atviram-lobizmui-smalsumas-kas-yra-lobistine-veikla).

<sup>88</sup> Užsiregistravusių lobistų – vienetai. Online portal veidas.lt, 17 January 2011. [www.veidas.lt/uzsiregistravusiuju-%E2%80%93-vienetai](http://www.veidas.lt/uzsiregistravusiuju-%E2%80%93-vienetai).

<sup>89</sup> Official Annual Report 2012 of the Chief Ethics Commission, p. 25. [www.vtek.lt/vtek/images/vtek/Dokumentai/Apie\\_mus/ataskaitos\\_seimui/VTEK\\_2012\\_metu\\_ataskaita.pdf](http://www.vtek.lt/vtek/images/vtek/Dokumentai/Apie_mus/ataskaitos_seimui/VTEK_2012_metu_ataskaita.pdf); Official Annual Report 2005 of the Chief Ethics Commission, p. 14–18. [www.vtek.lt/images/vtek/Dokumentai/Apie\\_mus/ataskaitos\\_seimui/ataskaita2005.pdf](http://www.vtek.lt/images/vtek/Dokumentai/Apie_mus/ataskaitos_seimui/ataskaita2005.pdf).

## GAZPROM - E.ON RUHRGAS INTERNATIONAL GMBH CASE: IS DIRECT LOBBYING STILL LOBBYING?

*In 2011, three members of the parliament submitted a complaint to the Chief Official Ethics Commission providing that the board vice-president of AB "Lietuvos dujos" and executive director of "E.ON Ruhrgas International GmbH", Peter Frankenberg and "Gazprom" board vice president, Valerij Golubev, sent out a note to the members of parliament encouraging them to not support the draft amendment of the Law on Natural Gas (that was drafted by the government) thus not applying the respective EU directives.*

*According to the MPs who had submitted the complaint, the official note provided only one side of the information clearly seeking to affect the outcome of the voting on the draft bill, even though the parties had all the possibilities to participate in the legislative procedures drafting the bill before. In a somewhat complicated case related to gas production diversification process, both sides provided lengthy explanations related to the issue of lobbying, but also to gas production diversification as such.*

*In a very interesting decision, the Chief Official Ethics Commission rejected the complaint submitted by the MPs. However, in the final decision, the Commission provided that this was "clearly an act of direct lobbying and that the Commission had repeatedly filed notes to the Parliament asking to review the current lobbying regulation in this regard". Since according to the law, such direct lobbying is not lobbying legally speaking, the Commission cannot analyse the case in question, as it may only look into issues related to registered lobbyists, not companies representing their own interests.*

*One of the arguments used by the lawyers of the companies was that the current Law on Lobbying Activities only defines lobbying as an act on somebody's else behalf, thus excluding cases where a representative of a company seeks to influence the decisions in their own interests. This is still the case now as the Law on Lobbying Activities excludes cases where a representative of a company influences decision-making on his/her own behalf from the definition of lobbying activities.<sup>90</sup>*

The above mentioned 2011 survey identified members of parliament and ministers as some of the most actively engaged in lobbying related activities.<sup>91</sup> The interviews conducted for this research illustrated this alarming pattern. Interviewees from oversight and law enforcement institutions noted that politicians often engage in lobbying activities that exceed their constitutional mandate, especially in the municipal councils. For example, according to lobbyist A.

Romanovskis, members of parliament often engage in "making phone calls for municipalities, councils of the municipalities and assert pressure, declaring that it is all in the interest of the people".<sup>92</sup> The law enforcement institutions' representatives noted that politicians in the municipal councils often tend to engage in "border line activities" that might amount to influencing decisions on behalf of their own private interests or the interests of their acquaintances.

<sup>90</sup> The full text of the Chief Official Ethics Commission. [www.vtek.lt/sprendimai/wordfile.php?id=1085](http://www.vtek.lt/sprendimai/wordfile.php?id=1085).

<sup>91</sup> A survey was conducted by Prime Consulting on the request of local media outlet "Veidas" – it does not aim to be sociologically representative, but to rather overview the emerging trends: Užsiregistravusių lobistų – vienetai. Online portal veidas.lt, 17 January 2011. [www.veidas.lt/uzsiregistravusiuju-%E2%80%93vienetai](http://www.veidas.lt/uzsiregistravusiuju-%E2%80%93vienetai).

<sup>92</sup> Transparency International Lithuania interview with A. Romanovskis, originally aired in October 2013 on "Ziniu radijas", transcription available online. <http://lzinius.lt/lzinios/Lietuvoje/lietuvoje-klesti-seselinis-lobizmas/164494>.

## DO POLITICIANS LOBBY?

*In one of the most infamous cases regarding potential undue influence, in 2004, the Parliamentary Anti-Corruption Commission submitted a request to the Chief Official Ethics Commission asking to investigate whether the actions of MPs G. Steponavicius and E. Masiulis had breached the Law on Lobbying Activities and other regulations.*

*According to the Anti-Corruption Commission, these MPs sought to influence the voting of their fellow parliamentarians after discussing certain issues related to regulations with A. Janukonis, a shareholder of the Rubikon Group and board member of UAB "Rubikon group", UAB "Dalkia Lietuva", AB "Vilniaus energija" and UAB "Litekso" (all companies were directly working on energy issues), and acting board member of the Lithuanian Heating Suppliers Association.*

*These discussions between A. Janukonis and the MPs had been taped on the phone and allegedly indicated that these MPs were coordinating their actions following the guidance provided by A. Janukonis, who sought to protect the interests of his business.*

*The Commission explained that while generally politicians' activities are excluded from lobbying activities and thus cannot count as undue influence in the light of lobbying, such behaviour does breach the high ethics standards that should be applied to MPs.<sup>93</sup>*

Due to loopholes in the Law on Lobbying Activities, the public register of lobbyists only captures a very small share of *de facto* lobbyists. For example, there are only four registered lobbyists representing pharmaceuticals.<sup>94</sup> According to politicians, experts, oversight officials and even registered lobbyists, the intensity and scale of lobbying by far surpasses the lobbying activities that are officially visible. This grey zone is often mentioned as one of the major reasons why lo-

bbing activities are often perceived as being synonymous to corruption.<sup>95</sup>

While lobbying targets are not explicitly defined, the law provides that state and municipal institutions must create conditions for legal lobbying activities and state politicians, state officials and civil servants must neither constrain legal lobbying activities nor interfere with the activities of lobbyists lawfully representing the interests

<sup>93</sup> The full texts of the decisions of the Chief Ethics Commission (2004 /09/03 No. KS-38; and 2004 /09/03 d. No. KS – 39). [www.vtek.lt/vtek/index.php?option=com\\_wrapper&view=wrapper&Itemid=48](http://www.vtek.lt/vtek/index.php?option=com_wrapper&view=wrapper&Itemid=48).

<sup>94</sup> The official register on the Chief Official Ethics Commission. [www.vtek.lt/vtek/index.php?option=com\\_content&view=article&id=371&Itemid=41](http://www.vtek.lt/vtek/index.php?option=com_content&view=article&id=371&Itemid=41).

<sup>95</sup> Valdelyte E., Slavickaite L. 2000–2013 m. lobizmo ir lobistines veiklos tendencijos Lietuvoje. Viesoji politika ir administravimas. 2014, T.13, Nr. 1/2014, Vol 13, No 1, P. 131-133, 124-135.

of clients.<sup>96</sup> While the definition of lobbying activities does not provide an explanation, it may be implied that any actor who is engaged in the process of modifying, repealing or drafting new bills is potentially a subject to be lobbied.

Unsurprisingly, all the interviewees noted that the public does not have sufficient knowledge of who is lobbying public representatives, on what issues they are being lobbied and when and how they are being lobbied, even more so how much is being spent in the process and what is the result of these lobbying efforts. According to a business survey, businesses and interests groups operating in energy (48 percent), pharmacy (52 percent) and gambling (52 percent) provide the least public information about their attempts to influence decision-making.<sup>97</sup>

The list of registered lobbyists is publicly accessible and there is no possibility to register retrospectively (according to the Law on Lobbying Activities, a person becomes a lobbyist after official registration). However, it only provides very basic information. A person who wishes to engage in lobbying activities is obliged to file the following documents and a pre-defined form with the Chief Official Ethics Commission: an application for being recorded in the Register of Lobbyists, a lobbyist's questionnaire and a declaration. The

application to the Register of Lobbyists contains the name and surname, personal number, place of residence and the place of work within the last one year of the lobbyist. If an application is filed by a natural person; the name, registration number, address of the head office; if a legal person files an application; information about the employees of the legal person (names, surnames, personal numbers) who will engage in lobbying activities.<sup>98</sup> The public register only lists the names / titles of the registered lobbyists and the date of recording (and termination or suspension).<sup>99</sup> Other information is included in the reports of lobbyists.<sup>100</sup>

The Chief Official Ethics Commission notes that the timeline for reporting by lobbyists poses a separate risk; a concern that lobbyists echo. Lobbyists must file their reports to the Chief Official Ethics Commission on lobbying activities of the previous calendar year no later than 15 February of the current year; the content of these reports is defined in the Law on Lobbying Activities. In the report, the lobbyist is obliged to indicate his/her name, surname (if a lobbyist is a natural person), a name (if a lobbyist is a legal person), the number of the lobbyist's certificate; the name, surname or a name of each client of lobbying activities, personal or registration number, address of a place of residence or the head

office; a title of a legal act or a draft of a legal act with respect to which the lobbyist has acted; the lobbyist's income gained from lobbying activities; the lobbyist's expenditure on lobbying activities.<sup>101</sup> This reporting mechanism has been repeatedly identified as inadequate, as it does not offer a timely reporting obligation making it complicated to monitor the activities that are reported in the beginning of the year after more than a year (when the report is filed in February the next year).

Lobbyists donating to politicians in exchange for favourable decisions in the future seems to be one of the key corruption and undue influence risks in the legislative process. While there are no separate regulations requiring lobbyists to disclose their donations to politicians or political parties separately, the general requirements apply for financial reports from political parties and politicians.

A detailed financial report on the income and cost of political campaigns, a report of the liabilities along with a list of donations and donators has to be submitted to Central Electoral Commission in 25 or 85 days after the results of the election are announced (depending on whether an audit is needed for large donations).<sup>102</sup> This way, donors are disclosed in the general financi-

al reports (they are published in separate financial sheets, but are also available in the online search data base).<sup>103</sup> In 2011, donations from legal persons were prohibited and donations by individuals were restricted to independent members of political campaigns only. However, the risk of indirect funding through divisions and branches, other sub-structures or through external entities, which are indirectly related to political parties remains relevant.<sup>104</sup> Many interviewees also highlighted that this is an issue as some interest groups or individuals that are willing to support politicians or political parties, do so by donating to charity funds or related public institutions, etc.

Taking into account the above raised issues, oversight of lobbying activities should be extremely important. However, the lack of effective control is a major problem. Control of lobbying is designated to the Chief Official Ethics Commission. It is granted the rights to check lobbying activities, obtain from state or municipal institutions and other persons any necessary information, explanations, orders, decisions and other documents related to the implementation of this law, inspect reports on lobbying activities, and check persons' activities if it comes to its knowledge that someone has engaged in illegal lobbying activities.<sup>105</sup>

<sup>96</sup> Article 5, Law on Lobbying Activities. [www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=437586](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=437586).

<sup>97</sup> Transparency International Lithuania, Business Survey "Attitudes Towards Lobbying Activities", (Vilnius: Transparency International Lithuanian Chapter, VILMORUS, 2014).

<sup>98</sup> Article 9, Law on Lobbying Activities. [www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=437586](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=437586).

<sup>99</sup> The list of registered lobbyists is accessible online: [www.vtek.lt/vtek/index.php?option=com\\_content&view=article&id=371&Itemid=41](http://www.vtek.lt/vtek/index.php?option=com_content&view=article&id=371&Itemid=41).

<sup>100</sup> All reports accessible online: [www.vtek.lt/vtek/index.php?option=com\\_content&view=article&id=372&Itemid=42](http://www.vtek.lt/vtek/index.php?option=com_content&view=article&id=372&Itemid=42).

<sup>101</sup> Article 11, Law on Lobbying Activities. [www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=437586](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=437586).

<sup>102</sup> Article 17, Law on Funding of and Control over Funding of Political Parties and Political Campaigns. [www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=462267](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=462267).

<sup>103</sup> The Chief Election Commission online data base allows searching based on the name and surname of the natural person. [www.vrk.lt/politiniu-kampaniju-finansavimo-duomenys](http://www.vrk.lt/politiniu-kampaniju-finansavimo-duomenys).

<sup>104</sup> Third Evaluation Round, Second Compliance Report on Lithuania "Incriminations (ETS 173 and 191, GPC 2)" "Transparency of Party Funding" Adopted by GRECO at its 60th Plenary Meeting (Strasbourg: GRECO, 17-21 June 2013) [www.coe.int/t/dghl/monitoring/greco/evaluations/round3/GrecoRC3\(2013\)6\\_Second\\_Lithuania\\_EN.pdf](http://www.coe.int/t/dghl/monitoring/greco/evaluations/round3/GrecoRC3(2013)6_Second_Lithuania_EN.pdf); for more also see the policy paper prepared by Transparency International Lithuania in the framework of National Integrity Study in Lithuania. [http://transparency.lt/media/filer\\_public/2013/03/15/lt\\_political\\_parties\\_money\\_power\\_and\\_anticorruption\\_measures.pdf](http://transparency.lt/media/filer_public/2013/03/15/lt_political_parties_money_power_and_anticorruption_measures.pdf)

<sup>105</sup> Article 13, Law on Lobbying Activities. [www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=437586](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=437586).

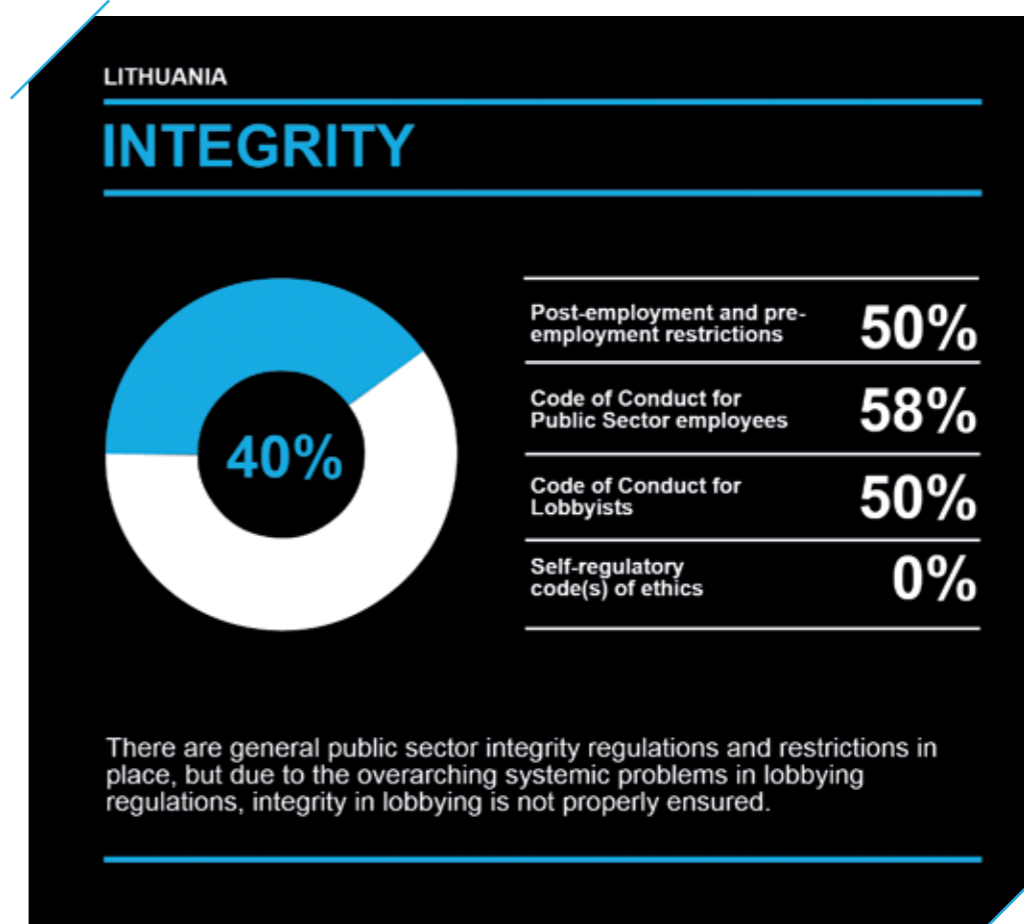
As the Commission is only designated to oversee lobbying activities as defined in the law, *de facto* lobbying by actors who are not obliged to register as lobbyists does not fall under its competence. In an interview in 2013, the head secretary of the Chief Ethics Commission, T. Caplinskas, noted that, “in reality, the Chief Ethics Commission does not control lobbying as it only oversees the registered lobbyists”.<sup>106</sup> According to Lithuanian businessmen, this Commission is not very effective in its role to “oversee lobbying activities”: only 14 percent of Lithuanian businesspeople think that this institution is performing “very well” or “well” in this activity.<sup>107</sup> Liability and sanctions for breaching the Law on Lobbying Activities is provided in the Code of Administrative Offences.<sup>108</sup> However these provisions have never been applied. It might also be noted that currently, only a half of one employee’s time (0.5 FTE) is designated to overseeing lobbying in the Commission.

At the same time, while criminal liability is possible in cases of trading in influence or illegal lobbying, representatives of the Prosecutors Office and the Special Investigation Service (national anti-corruption agency) claim that they do not have many powers or tools to investigate potential cases of undue influence. The lack of criminal cases related to specifically influencing the legislative process suggests that this is not completely effective either.

An effective and operating legislative footprint would add more accountability to the legislative process even with the flawed national regulation. However, the only instrument reminiscent of a legislative footprint is the fact that when official written proposals are submitted to parliament, they are collected and published in a comparative table along with the draft bill. This table, however, does not reflect more than written interactions, nor does it include the proposals submitted to MPs personally. According to some interviewees, such a legal instrument providing information on who has influenced draft laws and to what extent would help to disclose which interest groups are active in certain fields.<sup>109</sup> At the same time, most interviewees noted that such a legal instrument alone would not solve the problem of lack of accountability in lobbying activities and may only be an addition to other reforms and tools.

A sound legal framework for access to information is often quoted as an effective measure to manage corruption and add accountability to processes in the public sector. As mentioned above, despite several implementation issues, the legal framework for access to information is sufficient.<sup>110</sup> However, due to the prevailing “off the record” nature of lobbying, access to information does not offer a significant remedy.

## INTEGRITY IN LOBBYING



*Transparency of lobbying must be embedded within a broader public sector integrity framework, which mitigates the risks of conflicts of interest when important decisions are being taken. This research sought an answer to the following overarching questions about integrity: Is there a robust ethical framework for lobbyists (and companies) and lobbying targets in the country and to what extent is it working? Is the onus for integrity placed on both lobbyists and public officials/representatives? The broader landscape for related integrity mechanisms includes the tools for managing “revolving doors” and codes of ethics for politicians and public sector employees.*

There is a prohibition on former state politicians, state officials, civil servants or judges from becoming a lobbyist if less than one year has elapsed from the expiry of the term of office or power, or dismissal until the filing of an application for

entering the Register of Lobbyists.<sup>111</sup> However, interviewed lobbyists and representatives of law enforcement institutions noted that since only registered lobbyists fall under the legal definition of a lobbyist, there are no restrictions for former

<sup>106</sup> Online portal veidas.lt. Šešėlinis lobizmas reikalingiausias Seimo nariams? 11 December 2013. [www.veidas.lt/seselinis-lobizmas-reikalingiausias-seimo-nariams](http://www.veidas.lt/seselinis-lobizmas-reikalingiausias-seimo-nariams).

<sup>107</sup> Transparency International Lithuania, Business Survey “Attitudes Towards Lobbying Activities”, (Vilnius: Transparency International Lithuanian Chapter, VILMORUS, 2014).

<sup>108</sup> Article 172/25 provides that breach of requirements of the Law on Lobbying Activities shall be fined between 500 and 1000 LTL (145-290 EUR) or, accordingly 1000-2000 LTL (290-580 EUR) for a repeated offence. The Code of Administrative Offences. [www3.lrs.lt/pls/inter2/dokpaieska.showdoc\\_l?p\\_id=463861](http://www3.lrs.lt/pls/inter2/dokpaieska.showdoc_l?p_id=463861).

<sup>109</sup> Among them, see Transparency International Lithuania interview with A. Romanovskis, originally aired in October 2013 on “Ziniu radijas”, transcription accessible online. <http://lziniuos.lt/lzinios/Lietuvoje/lietuvoje-klesti-seselinis-lobizmas/164494>.

<sup>110</sup> Law of the Republic of Lithuania on the Right to Obtain Information From State and Municipal Institutions and Agencies, [www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=471234](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=471234); Law on Provision of Information to the Public, [www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=280580&p\\_query=&p\\_tr2=](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=280580&p_query=&p_tr2=).

<sup>111</sup> Article 3, Law on Lobbying Activities. [www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=437586](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=437586).



politicians to start working in, for example, business associations that engage in lobbying activities and vice versa.

The Law on the Adjustment of Public and Private Interests provides restrictions for employment contracts: after leaving office in the civil service a person is prohibited for a period of one year to take up employment as company head (or as head of the company coordinated by this company) or take other senior/decision making positions in such a company, provided that during the one year period immediately prior to termination of his/her service in public office his/her duties were directly related to the supervision or control of the business of said undertakings or the person participated in consideration and making of favourable decisions towards these companies for obtaining state orders or financial assistance in the course of public contests or otherwise.<sup>112</sup>

While the revolving door issue was not named as posing a great transparency and accountability threat by most interviewees, some experts noted that even now there are examples where former public officials become, for example, attorneys and thus use their personal acquaintances to “understand what is happening in politics”. Furthermore, 62 percent of Lithuanian businesspeople admit to having heard of instances where politicians and civil servants took employment in the private sector after serving in the government as an unofficial repayment for favourable decisions.<sup>113</sup>

The Code of Conduct for State Politicians names transparency and publicity as one of the main principles of conduct. While there are no

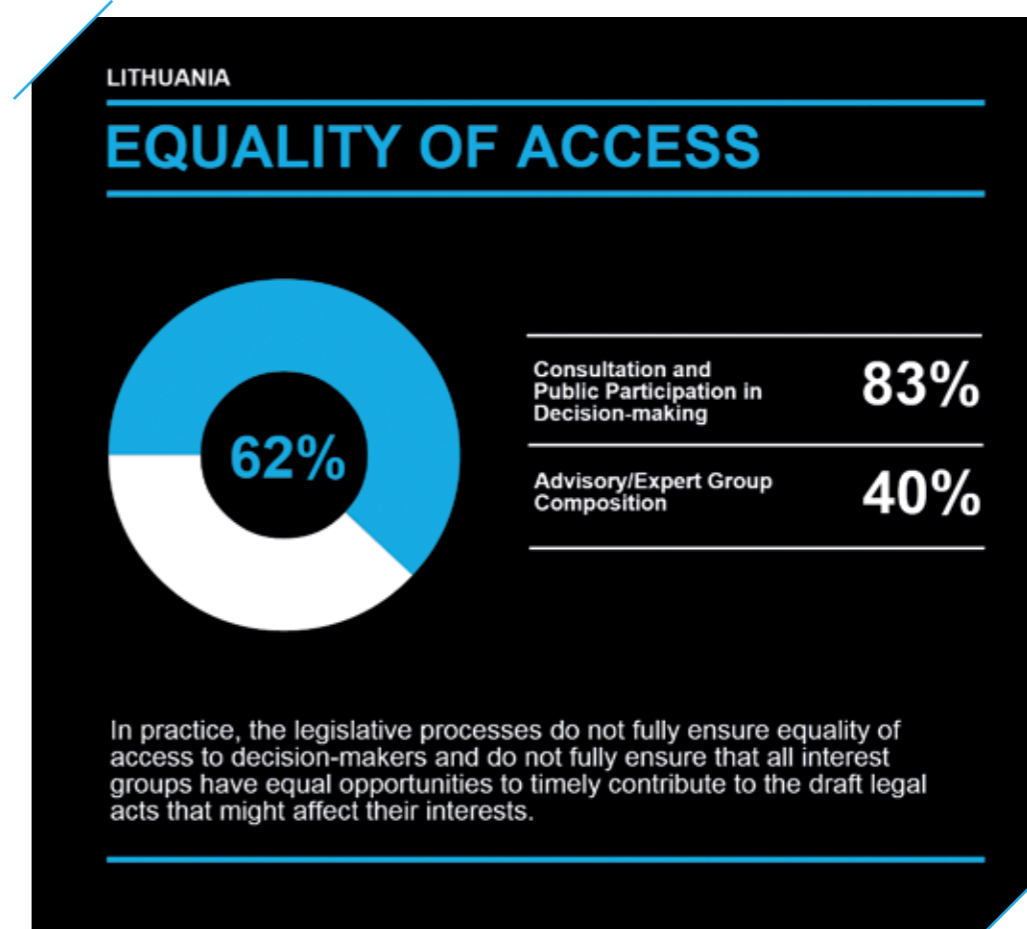
direct references to lobbying related activities, the Code of Conduct provides that when making decisions, politicians shall not raise doubts as to their honesty, shall reveal the motives of their conduct and decisions to society, always keep to the principles of openness and publicity, except for the cases specified by laws restricting the disclosure of information, and declare their private interests.<sup>114</sup>

Aside from the legal obligations laid out in relevant laws, civil servants are obliged to follow the Civil Servants Ethics Rules. These are broad and only require the servants to adhere to a list of rather declarative principles of behaviour and to act honourably, to not accept any kind of gifts or other remunerations that may cause private-public interest conflicts.<sup>115</sup>

Transparency is mentioned as one of the principles on which the Public Service of the Republic of Lithuania shall be based, along with the rule of law, equality, political neutrality, transparency and career development.<sup>116</sup> The Law on the Adjustment of Public and Private Interests provides guidelines for the adjustment of private interests of persons employed in the civil service and the public interests of the community, aiming to ensure that holders of public office make decisions solely in terms of the public interest, secure the impartiality of the decisions being made and prevent the emergence and spread of civil service corruption in the public service.

In general, while there are general regulations and restrictions in place, due to the overarching systemic problems in lobbying regulations, integrity in lobbying is not properly ensured.

## ENSURING A LEVEL PLAYING FIELD BY MAKING ACCESS MORE EQUAL



*Regulating lobbying transparency and integrity measures are crucial, but they must be accompanied by rules that allow for equality of access to decision-makers, which is essential to fairness and pluralism in the political system. This research asked whether there are enough spaces in the system to allow for diverse participation and contribution of ideas and evidence by a broad range of interests that lead to policies, laws, and decisions which best serve society and broad democratic interests. The findings are mixed in this regard.*

Only 14 percent of businesspeople thought that the decision-making process is open enough for all interested groups to be able to engage. They suggested that when it comes to arranging meetings on decision-making with politicians, it is easiest for associations (43 percent), registered lobbyists (34 percent), trade unions (27 percent) and public relations agencies (25 percent)

<sup>112</sup> Article 18, Law on the Adjustment of Public and Private Interests in the Public Service. [www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=471042](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=471042).

<sup>113</sup> Transparency International Lithuania, Business Survey “Attitudes Towards Lobbying Activities”, (Vilnius: Transparency International Lithuanian Chapter, VILMORUS, 2014).

<sup>114</sup> Article 4, The Code of Conduct for State Politicians. [http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=376953](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=376953).

<sup>115</sup> Article 2, Civil Servants Ethics Rules. [www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=169819&p\\_query=&p\\_tr2=](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=169819&p_query=&p_tr2=)

<sup>116</sup> Law on Public Service. [www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=471047](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=471047).

to do so.<sup>117</sup> The Law on Legislative Framework (2012) provides the main principles for the legislative process. Openness and transparency are among them, providing that legislation has to be public, inclusive and that all actors participating in all stages of legislation must be disclosed. However, only 10 percent of Lithuanian businesspeople think that information about all interest groups that participated in decision-making is publicly disclosed.<sup>118</sup>

The law also requires that the legislative process must ensure consultations are timely and proportionate. Working groups or commissions preparing draft laws may be comprised of representatives from state and municipal institutions, NGOs, educational and study institutions and other people, specifically excluding lobbyists.<sup>119</sup>

While it has been established in this report that it is specifically business associations that are often seen among the most influential *de facto* lobbyists, this regulation does not provide enough safeguards to ensure that such working groups do not become a means for *de facto* lobbying. The minutes of such working groups are publicly accessible, however, thus reducing the risk of undue influence. As the interviewees noted, while draft laws are indeed published in the legislation register on-line<sup>120</sup> and this form allows for easy submission of proposals and arguments, the earlier stages of drafting laws are often unknown to the public without specific knowledge (or even the “right” acquaintances). Some of the interviewed lobbyists noted that while the agendas of hearings in parliament are public, in practice there are many different stages of such hearings

and it is hard to keep track of them and grasp where and when the bill is first drafted. Furthermore, while public consultations are organised in practice, experts note that they are not an effective tool due to lack of interest from society and the lack of practical guidelines on how such consultations should take place. While there have been attempts to prepare guidelines for effective public consultations,<sup>121</sup> there is no coherent nationwide approach. It is not clear what particular issues such consultations should be held for, how complicated legal issues should be framed for the best feedback and how they should be moderated. Therefore, the interviewees noted that public consultations currently do not work as a measure ensuring more inclusive legislation.

While also not covered by the definition of lobbying in the Law on Lobbying Activities, there is another group of people who are sometimes identified as unofficial lobbyists. Public or community consultants are people who can be officially assigned and chosen by mayors, the prime minister and ministers. They are not paid or bound by any working relationship, yet they provide free consultations from their fields of expertise whenever needed and have an official status. Since community consultants are not considered to be advisors in the official meaning, they are not required to declare their assets or follow any other legal requirements. Since 2012, however, they do have to declare their private interests.<sup>122</sup>

It remains unclear, what effect these consultations may have on public officials and whether this becomes lobbying in the broadest sense.

According to some interviewees, it is through these consultants that “the black unregistered lobbying activities take place”.<sup>123</sup> Also alarming is that more than a half of Lithuanian businesspeople claim that politicians’ advisors and public/community consultants are used to influence decision-making.<sup>124</sup>

Another reported problem in this field is the lack of quality in providing arguments for decision-making. Business representatives and other interviewees expressed concerns that the current framework of decision-making does not ensure that the decisions are always based on well discussed (and publicly accessible), sound arguments that are inclusive and accountable. The use of cost-benefit analysis, higher quality of explanatory documents, higher quality of discussions during the committees hearings were named among the potential solutions to this problem.

Furthermore, some interviewees noted that the frequent usage of “urgent” and “very urgent” legislative procedures might also raise obstacles for equal access.

These procedures enable a faster legal process in the legislative work of the Seimas. As a result, bills are exposed to less scrutiny and there are fewer opportunities for external input. The “normal” stages of legal analysis during the legislative procedure can be shortened to 24 hours in comparison to a maximum of seven days of analysis for the legal department of the Seimas Office and a minimum of four days for the main Seimas committee work. Whereas Committee

findings must be presented to the MPs up to 72 hours in advance to a plenary sitting, for a very urgent procedure the time scale is reduced to three hours and amendments are accepted for as close as an hour before the start of a sitting.

Statistics of the passing of legislation in the past two tenures and the current Seimas are quite illustrative for the matter. In the parliament that served from 2004 to 2008, 3% of acts were issued following the urgent procedure and 24% were issued under the very urgent procedure; the total number of acts was 1,901.<sup>125</sup> In the 2008–2012 parliament, a total of 2,487 legal acts were adopted and while still only 3 percent of acts followed the urgent procedure, 47% were issued under the very urgent procedure.<sup>126</sup> Although the current parliament has not yet reached the peak of the previous one, its total legislative activity so far amounts to passing 776 acts, 3% of which were again considered urgent, and 32% were passed under the very urgent procedure.<sup>127</sup> It appears that acts are increasingly being passed with limited time for consideration and consultation, undermining the ability of all to participate and undermining equality of access.

The main problem highlighted has been that the current legal definitions of lobbying do not include all those undertaking lobbying activities in Lithuania. However, this would not be such an issue, or pose such a risk of corruption or undue influence in the development of legislation, if the decision-making processes were more open and transparent, decision-makers adhered to high standards of integrity, and equality of access to decision-makers was promoted for all groups.

<sup>117</sup> Transparency International Lithuania, Business Survey “Attitudes Towards Lobbying Activities”, (Vilnius: Transparency International Lithuanian Chapter, VILMORUS, 2014).

<sup>118</sup> Ibid.

<sup>119</sup> Law on Legislative Framework. [www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=453597](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=453597).

<sup>120</sup> Legislation Register. [www.e-tar.lt/portal/](http://www.e-tar.lt/portal/).

<sup>121</sup> For example, guidelines for effective public consultations in the education sector prepared within the Ministry of Education. [http://old.smm.lt/svietimo\\_bukle/docs/tyrimai/VK%20konsultaciju\\_gaires.pdf](http://old.smm.lt/svietimo_bukle/docs/tyrimai/VK%20konsultaciju_gaires.pdf).

<sup>122</sup> Law on the Adjustment of Public and Private Interests in the Public Service, Article 4, para. 1. [www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=471042](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=471042).

<sup>123</sup> Data from interviews conducted for this research by Transparency International Lithuania. Also see Transparency International Lithuania interview with A. Romanovskis, originally aired in October 2013 on “Ziniu radijas”, transcription accessible online. <http://lzinios.lt/lzinios/Lietuvoje/lietuvoje-klesti-seselinis-lobizmas/164494>.

<sup>124</sup> Transparency International Lithuania, Business Survey “Attitudes Towards Lobbying Activities”, (Vilnius: Transparency International Lithuanian Chapter, VILMORUS, 2014).

<sup>125</sup> Teisės aktų leidybos 2004–2008 metų kadencijos Seime statistiniai duomenys. Statistics of the Seimas work. [www3.lrs.lt/pls/inter/w5\\_show?p\\_r=252&p\\_d=81989&p\\_k=1](http://www3.lrs.lt/pls/inter/w5_show?p_r=252&p_d=81989&p_k=1).

<sup>126</sup> Teisės aktų leidybos 2008–2012 metų kadencijos I-IX sesijose statistiniai duomenys. Statistics of the Seimas work. [www3.lrs.lt/pls/inter/w5\\_show?p\\_r=252&p\\_d=130963&p\\_k=1](http://www3.lrs.lt/pls/inter/w5_show?p_r=252&p_d=130963&p_k=1).

<sup>127</sup> Teisės aktų leidybos 2012–2016 metų kadencijos I-III sesijose statistiniai duomenys. Statistics of the Seimas work. [www3.lrs.lt/pls/inter/w5\\_show?p\\_r=252&p\\_d=143706&p\\_k=1](http://www3.lrs.lt/pls/inter/w5_show?p_r=252&p_d=143706&p_k=1).

# ANNEX I - DATA COLLECTION QUESTIONNAIRE

## DEFINITIONS

**1 To what extent does the law clearly and unambiguously define ‘lobbyists’ to capture all who lobby professionally including professional lobbyists, public affairs consultancies, and representatives from NGOs, corporations, industry/professional associations, trade unions, think tanks, law firms, faith-based organisations and academics?**

**0 – No definition/Wholly inadequate definition covering a small proportion of lobbyists**

1 – Partially but inadequately/too narrowly/too broadly defined

2 – The law clearly and unambiguously defines lobbyists to include professional lobbyists, public affairs consultancies, and representatives from NGOs, corporations, industry/professional associations, trade unions, think tanks, law firms, faith-based organisations and academics.

Check all categories covered by law:

<input checked="" type="checkbox"/> Professional lobbyist	<input type="checkbox"/> Representative from a for-profit corporation	<input type="checkbox"/> Law firms
<input type="checkbox"/> Private Sector Representatives	<input type="checkbox"/> Representative from industry/professional association	<input type="checkbox"/> Faith-based organisations
<input type="checkbox"/> Public affairs consultancies	<input type="checkbox"/> Trade unions	<input type="checkbox"/> Academics
<input type="checkbox"/> Representative from NGO	<input type="checkbox"/> Think tanks	<input type="checkbox"/> Other, please specify _____

**Score: 0**

A “lobbyist” is defined as a natural or legal person recorded in the Register of Lobbyists in accordance with the procedure laid down by the Law on Lobbying Activities.<sup>128</sup> “Lobbying activities” are defined actions taken by a natural or legal person for or without compensation in an attempt to exert influence to have, in the interests of the client of lobbying activities, legal acts modified or repealed, or new legal acts adopted or rejected.<sup>129</sup> In other words – only legal or natural persons acting on behalf of other subjects are regarded as lobbyists and only when they register with the Chief Official Ethics Commission. Activities of non-profit organisations aimed at exerting influence in the common interests of their members to have legal acts modified or repealed, new legal acts adopted or rejected are specifically excluded from the definition.<sup>130</sup>

<sup>128</sup> Article 2, Law on Lobbying Activities, [http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=437586](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=437586)

<sup>129</sup> Article 2, Law on Lobbying Activities, [http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=437586](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=437586)

<sup>130</sup> Article 7, Law on Lobbying Activities, [http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=437586](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=437586)

**2 To what extent does the law/regulation define ‘lobbying targets’ in a sufficiently broad manner to include members of national and subnational legislative and executive branches (including advisors) and high level officials in national and subnational public administration, regulatory bodies and private bodies performing public functions?**

0 – Lobbying targets are not defined in law/ Wholly inadequate definition covering a small proportion of lobbying targets

**1 – Lobbying targets are inadequately defined in law (including some but not all of the above-mentioned targets)**

2 – Lobbying targets are broadly and adequately defined in law to include members of national and subnational legislative and executive branches (including advisors) and high level officials in national and subnational public administration, regulatory bodies and private bodies performing public functions

Check all categories covered by law:

<input checked="" type="checkbox"/>	National Legislators
<input checked="" type="checkbox"/>	Subnational Legislators
<input checked="" type="checkbox"/>	National Executive
<input checked="" type="checkbox"/>	Subnational Executives
<input type="checkbox"/>	Executive Advisors
<input type="checkbox"/>	High-level public officials
<input type="checkbox"/>	Regulatory bodies
<input type="checkbox"/>	Private bodies performing public functions
<input type="checkbox"/>	Other, please specify _____

**Score: 1**

**Note:** While lobbying targets are not defined explicitly, the law provides state or municipal institutions must create conditions for legal lobbying activities and state politicians, state officials or civil servants must not constrain legal lobbying activities and must not interfere with the implementation by lobbyists of lawful interests of clients of lobbying activities<sup>131</sup>

<sup>131</sup> Article 5, Law on Lobbying Activities, [http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=437586](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=437586)

**3** To what extent is the term ‘lobbying’/‘lobbying activities’ clearly and unambiguously defined in law/regulation to include any contact (written or oral communication, including electronic communication) with lobbying targets (see above) for the purpose of influencing the formulation, modification, adoption, or administration of legislation, rules, spending decisions, or any other government program, policy, or position?

**0 – No definition/Wholly inadequate definition covering a small proportion of lobbying activity**

1 – Partially but inadequately/too narrowly defined

2 – Definition is clear and unambiguous and is comparable to the following international standard<sup>132</sup>: any contact (written or oral communication, including electronic communication) with lobbying targets for the purpose of influencing the formulation, modification, adoption, or administration of legislation, rules, spending decisions, or any other government program, policy, or position.

**Score: 0**

*“Lobbying activities” are defined in the Law on Lobbying Activities as actions taken by a natural or legal person for or without compensation in an attempt to exert influence to have, in the interests of the client of lobbying activities, legal acts modified or repealed, or new legal acts adopted or rejected.<sup>133</sup> This definition captures only a small proportion of lobbying activities, leaving aside lobbying on one’s own behalf, lobbying by business associations, etc.*

## TRANSPARENCY

*Framing Questions to bear in mind when constructing the narrative for this section: To what extent does the public have sufficient knowledge of (a) who is lobbying public representatives (b) on what issues they are being lobbied (c) when and how they are being lobbied (d) how much is being spent in the process (e) what is the result of these lobbying efforts etc? Is the onus for transparency placed on both lobbyists and public officials/representatives?*

### ACCESS TO INFORMATION

**4** To what extent is there a comprehensive access to information law that guarantees the public’s right to information and access to government data?

0 - No law exists

1- Law exists but with inadequacies

**2 – Comprehensive law in place**

**Score: 2**

*Despite several implementation issues, the legal framework for access to information is sufficient enough. A number of legal provisions, including the Law of the Republic of Lithuania on the Right to Obtain Information from State and Municipal Institutions and Agencies; Law on Provision of Information to the Public; Constitution of the Republic of Lithuania, meet the international standards of access to information.*

<sup>132</sup> See Sunlight Foundation Lobbying Guidelines (<http://sunlightfoundation.com/blog/2013/12/03/announcing-sunlights-international-lobbying-guidelines/>), the OECD Draft Report on Progress made in implementing the OECD Principles for Transparency and Integrity in Lobbying (2014, forthcoming) and Council of Europe Parliamentary Assembly Recommendation 1908 (2010) on lobbying in a democratic society

<sup>133</sup> Article 2, Law on Lobbying Activities, [http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=437586](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=437586)

**5** In practice, to what extent do citizens have reasonable access to information on public sector activities and government data?

0 - In practice, citizens face major problems in accessing information and/or frequent violations of the law

**1- In practice, access is not always straightforward/citizens often face obstacles to access**

2 – In practice, it is easy for citizens to access to information on public sector activities and government data

**Score: 1**

*Despite several practical obstacles in practice (related to lack of coherent case law on access to information, lack of training for public officials, lack of proactive disclosure of information in a user friendly format, etc.), the general situation related to access to information is satisfactory (according to a survey in 2011, nearly one third of Lithuanian residents have contacted public institutions over the period of two years<sup>134</sup>).*

**6** Do access to information laws apply to lobbying data?

0 - No law exists/Law does not apply to lobbying data

1- Some but not all lobbying data accessible under access to information laws

2 – Access to information laws cover lobbying data

**Score: 0**

*While the legal framework for access to information is satisfactory, due to the prevailing “off record” nature of lobbying in Lithuania, it does not offer a significant remedy.<sup>135</sup> The vast majority of lobbying takes place off record and for that reason it is not possible to access any de facto lobbying data in the format of a document; at the same time, at least the data that is recorded (Parliamentary agendas, proposals submitted in writing, etc) is subject to FOI laws, but it only is a small fraction of the entire data on what interests groups and to what extent effected decision-making.*

### REGISTRATION AND DISCLOSURE BY LOBBYISTS

**7** Is there a lobbyist register in the country?

0 - No register exists

1- Voluntary register exists/A register for a particular institution exists but does not apply to all lobbying activity

**2 – A mandatory register exists**

**Score: 2**

*The law provides that a person who wishes to engage in lobbying activities shall file to the Chief Official Ethics Commission an application for being recorded in the Register of Lobbyists, a lobbyist’s questionnaire and a declaration. Within 5 working days, the Chief Official Ethics Commission examines these documents and makes a decision regarding the recording of the person in the Register of Lobbyists.<sup>136</sup>*

<sup>134</sup> [http://transparency.lt/media/filer\\_public/2013/01/22/informacijos\\_prieinamumas\\_lietuvoje.pdf](http://transparency.lt/media/filer_public/2013/01/22/informacijos_prieinamumas_lietuvoje.pdf)

<sup>135</sup> Law of the Republic of Lithuania on the Right to Obtain Information from State and Municipal Institutions and Agencies – [http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=471234](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=471234); Law on Provision of Information to the Public - [http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=280580&p\\_query=&p\\_tr2=](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=280580&p_query=&p_tr2=); Constitution of the Republic of Lithuania <http://www3.lrs.lt/home/Konstitucija/Konstitucija.htm>

<sup>136</sup> Article 9, Law on Lobbying Activities, [http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=437586](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=437586)

## 8 Where a register exists, to what extent does it capture all who lobby professionally including professional lobbyists, public affairs consultancies, and representatives from NGOs, corporations, industry/professional associations, trade unions, think tanks, law firms, faith-based organisations and academics in the country?

### 0 – Wholly inadequate scope covering only a small proportion of lobbyists

1 – Register captures many of the categories of lobbyists mentioned above but there are still some gaps

2 – The register clearly captures professional lobbyists, public affairs consultancies, and representatives from NGOs, corporations, industry/professional associations, trade unions, think tanks, law firms, faith-based organisations and academics.

Check all categories covered by register:

<input checked="" type="checkbox"/> Professional lobbyist	<input type="checkbox"/> Representative from a for-profit corporation	<input type="checkbox"/> Law firms
<input type="checkbox"/> Private Sector Representatives	<input type="checkbox"/> Representative from industry/professional association	<input type="checkbox"/> Faith-based organisations
<input type="checkbox"/> Public affairs consultancies	<input type="checkbox"/> Trade unions	<input type="checkbox"/> Academics
<input type="checkbox"/> Representative from NGO	<input type="checkbox"/> Think tanks	<input type="checkbox"/> Other, please specify _____

**Score: 0**

*While the law does not explicitly state so, systemic analysis of the law reveals that only professional lobbyists lobbying on behalf of their clients are obliged to register. The definition of a lobbyist in the Law on Lobbying Activities defines lobbyists as a natural or legal persons recorded in the Register of Lobbyists in accordance with the procedure laid down by the Law on Lobbying Activities.<sup>137</sup>*

## 9 To what extent are lobbyists required to register in a timely (within 10 days of beginning of lobbying activity) manner?

0 - No compulsory registration

1 - Lobbyists required to register, but with significant time lag (more than 10 days)

2 – Lobbyists required to register within 10 days of beginning lobbying activity

**Score: 2**

*The law provides that registration is required before the actual lobbying activities start: a person who wishes to engage in lobbying activities has to file to the Chief Official Ethics Commission an application for being recorded in the Register of Lobbyists, a lobbyist's questionnaire and a declaration.<sup>138</sup>*

<sup>137</sup> Article 2, Law on Lobbying Activities, [http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=437586](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=437586)

<sup>138</sup> Article 9, Law on Lobbying Activities, [http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=437586](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=437586)

## 10 To what extent are lobbyists required to report regularly on their lobbying activities and expenditures in a timely manner (max real-time - min quarterly)?

0 – No requirement to report/Reporting less often than annually

1 – Reporting requirement less often than quarterly but more often than annually

2 - Realtime - Quarterly reporting required

**Score: 0**

*Annually, to February 15th of the subsequent year<sup>139</sup>.*

## 11 To what extent are lobbyists and organizations that lobby required to publicly disclose relevant personal and employment information: name of the organization (if applicable); address and contact information; names of all active lobbyists working on behalf of the organization (if applicable)?

0 - No information required to be publicly disclosed by lobbyists

1 - Only basic information required to be publicly disclosed

2 - Sufficient information required to be publicly disclosed

Check all categories covered by law:

<input checked="" type="checkbox"/> Name (of individual or organisation)
<input type="checkbox"/> Names of all active lobbyists working on behalf of organisation
<input checked="" type="checkbox"/> Address and contact details
<input type="checkbox"/> Other

**Score: 1**

*In a report on lobbying activities a lobbyist must indicate his name, surname (if a lobbyist is a natural person), a name (if a lobbyist is a legal person), the number of a lobbyist's certificate<sup>140</sup>.*

<sup>139</sup> Art. 11, Law on Lobbying Activities, [http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=437586](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=437586)

<sup>140</sup> Art. 11, Law on Lobbying Activities, [http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=437586](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=437586)

## 12 To what extent are lobbyists and organizations that lobby required to publicly disclose relevant information on lobbying objectives and clients: name of the persons or organizations paying for the lobbying activities; names of the lobbyists' clients; specific subject matter lobbied?

- 0 - No information required to be publicly disclosed by lobbyists
- 1 - Only basic information required to be publicly disclosed
- 2 - Sufficient information required to be publicly disclosed**

Check all categories covered by law:

- Name of the persons or organizations paying for the lobbying activities
- Specific subject matter lobbied
- Names of the lobbyists' clients
- Specific legislative proposals, bills, regulations, policies, programmes, grants, contributions or contracts sought

**Score: 2**

*In a report on lobbying activities a lobbyist must indicate the name, surname or a name of each client of lobbying activities, personal or registration number; address of a place of residence or the head office; a title of a legal act or a draft of a legal act with respect to which he acts as a lobbyist<sup>141</sup> (unclear if only laws/draft laws fall under the definition; the law does not oblige to disclose specific subjects – only the titles of draft bills) Note: in practice, this is only accessible upon requests.*

## 13 To what extent are lobbyists and organizations that lobby required to publicly disclose relevant information on who they are lobbying and what they are advocating: name and title of the public representative or public body with whom the lobbyist engaged and the date and type of such engagement as well as any information and/or supporting documentation communicated to policymakers?

- 0 – No requirement to report**
- 1 – Only basic information required to be publicly disclosed
- 2 - Sufficient information required to be publicly disclosed

<sup>141</sup> Art. 11, Law on Lobbying Activities, [http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=437586](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=437586)

Check all categories covered by law:

- The name of the public representative or public body with whom the lobbyist engaged
- Date of engagement
- Type of engagement (personal visit, accepted invitation to event, official hearing)
- Supporting documentation communicated to policymakers

**Score: 0**

## 14 To what extent are lobbyists and organizations that lobby required to publicly disclose lobbying expenditures, including spending on efforts to support lobbying, loans, sponsorships, retainers, or the purchase of tickets for fundraising events?

- 0 - No information on expenditures required to be publicly disclosed by lobbyists
- 1 - Only basic information on expenditures required to be publicly disclosed
- 2 - Sufficient information on expenditures required to be publicly disclosed**

**Score: 2**

*According to the Law on Lobbying activities, the lobbyist's report must disclose lobbyist's income gained from lobbying activities; lobbyist's expenditure on lobbying activities.<sup>142</sup> However, this only applies to regulation, no details needed in practice.*

## 15 To what extent are lobbyists and organizations that lobby required to publicly disclose political donations to parties and candidates?

- 0 - No requirement for public disclosure of political donations
- 1 - Insufficient requirements for public disclosure of political donations**
- 2 - Sufficient information on political donations required to be publicly disclosed

**Score: 1**

*Lobbyists are subject to the general laws on political parties donations that set out reporting guidelines for the politicians / political parties; their financial reports are not very detailed, but are published online, including names of persons providing donations<sup>143</sup>*

<sup>142</sup> Art. 11, Law on Lobbying Activities, [http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=437586](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=437586)

<sup>143</sup> Republic of Lithuania Law on Funding of, and Control over Funding of, Political Parties and Political Campaigns [http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=462267](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=462267)

## 16 To what extent are lobbyists required to publicly disclose 'in kind' contributions: In-kind contributions may include advertising, use of facilities, design and printing, donation of equipment, or the provision of board membership, employment or consultancy work for elected politicians or candidates for office?

- 0 - No information on 'in-kind' contributions required to be publicly disclosed by lobbyists
- 1 - Insufficient information on 'in-kind' contributions required to be publicly disclosed by lobbyists**
- 2 - Sufficient information on 'in-kind' contributions required to be publicly disclosed

Score: 1

*Lobbyists are subject to the general laws on political parties donations that set out reporting guidelines for the politicians / political parties; their financial reports are not very detailed, but are published online, including names of persons providing donations<sup>144</sup>.*

## 17 Is information disclosed by lobbyists publicly available online in a searchable machine-readable open-data format?

- 0 - Information not available online
- 1 - Information available online but not in a searchable machine-readable open-data format (eg. Hand-written and scanned documents used)**
- 2 - Information publicly available online in a searchable machine-readable open-data format

Score: 1

*The law provides that information about lobbying activities shall be available to the public and the Chief Official Ethics Commission may not restrict persons' rights to receive data and information about lobbying activities (lobbyists, legal acts and draft legal acts with respect to which lobbying activities have been performed). Information about lobbyists recorded in the Register of Lobbyists, suspension, renewal, termination or expiry of lobbying activities shall be published on the website of the Chief Official Ethics Commission; the lobbyists' reports are also published on the website of the Chief Official Ethics Commission.<sup>145</sup>The lobbyists reports are provided in "Word" format, meaning that while the search function "ctrl+f" is available, these reports may not be easily processed by machines.*

*Lobbyists are subject to the general laws on political parties donations that set out reporting guidelines for the politicians / political parties; their financial reports are not very detailed, but are published online, including names of persons providing donations*

## 18 To what extent do the lobbyists register and provide sufficient/timely information in line with legislative obligations?

- 0 - Little or no compliance with legal obligations
- 1 - Some lobbyists comply but there are many cases of non-compliance
- 2 - Broad compliance with legal obligations**

<sup>144</sup> Republic of Lithuania Law on Funding of, and Control over Funding of, Political Parties and Political Campaigns [http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=462267](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=462267)

<sup>145</sup> Art. 14, Law on Lobbying Activities, [http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=437586](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=437586)

Score: 2

*Please note that the amount of registered lobbyists is very low, approx. 30 currently<sup>146</sup>.*

### OVERSIGHT, VERIFICATION AND SANCTIONS

## 19 To what extent is there an independent, mandated and well-resourced oversight entity charged with managing registration of lobbyists, offering guidance to individuals and organisations, monitoring returns, and investigating apparent breaches or anomalies (this includes powers to investigate complaints made but also to instigate investigations even where no complaint has been lodged)?

- 0 - No oversight entity exists
- 1 - Oversight agency exists but it is under-resourced and/or insufficiently mandated to provide meaningful oversight**
- 2 - A fully mandated and resourced oversight entity is in place

Score: 1

*The Chief Official Ethics Commission is<sup>147</sup> insufficiently mandated as it is only assigned to oversee the activities that fall under the (too narrow) definition of the Law on Lobbying Activities*

## 20 To what extent is there a pro-active verification mechanism to audit disclosures and reports and detect anomalies?

- 0 - No verification mechanism exists
- 1 - Verification exists but is inadequate**
- 2 - Adequate verification mechanism exists

Score: 1

*The Chief Official Ethics Commission has the right to check lobbying activities, obtain from state or municipal institutions and other persons any necessary information, explanations, orders, decisions and other documents related to the implementation of the Law on the Chief Official Ethics Commission, inspect reports on lobbying activities; check persons' activities if it comes to its knowledge that they engage in illegal lobbying activities<sup>148</sup>*

*However, the reports are so general in nature that the COEC in practice only checks whether they are submitted. Furthermore, they are not an investigatory body and generally only act upon complaints.*

<sup>146</sup> Chief Official Ethics Commission website: [http://www.vtek.lt/vtek/index.php?option=com\\_content&view=article&id=371&Itemid=41](http://www.vtek.lt/vtek/index.php?option=com_content&view=article&id=371&Itemid=41)

<sup>147</sup> Law on the Chief Official Ethics Commission [http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=467704](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=467704)

<sup>148</sup> Law on the Chief Official Ethics Commission [http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=467704](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=467704)

## 21 In practice, to what extent are anomalies detected and followed up on by the oversight body?

0 - Little or no detection of anomalies

**1 - In general, the oversight body is somewhat active in following up on anomalies detected**

2 - In general, the oversight body is active in following up on anomalies detected

**Score: 1**

*The Chief Official Ethics Commission in practice only follows up upon the complaints when they fall in the very limited scope of the law and only to the extent possible without a separate independent investigation.*

## 22 In practice, to what extent are anomalies detected and reported by others (e.g. investigative journalists) followed up on by the oversight body?

0 - Little or no detection of anomalies

**1 - In general, the oversight body is somewhat active in following up on anomalies detected and reported by others**

2 - In general, the oversight body is active in following up on anomalies detected and reported by others

**Score: 1**

*Law on the Chief Official Ethics Commission provides an exhaustive list of instances where it can refuse to examine a notification (instances are if the notification has been submitted after the expiration of the time limit set in this Law, if the investigation of the circumstances identified in the notification does not fall within the competence of the COEC or if the notification on the same issue has already been examined). In practice, it looks like the oversight body is following up upon all the notifications, but due to the very limited scope of its competence defined by law, this is only to some extent useful as it can only look at the cases that fall exactly under the definition of lobbying set out in the Law on Lobbying Activities.<sup>149</sup>*

## 23 To what extent does the law provide for penalties for knowingly filing a false lobbying registration return or failure to file a return?

0 - No penalties exist

**1 - Penalties exist but they are inadequate**

2 - Adequate penalties exist in law

**Score: 1**

<sup>149</sup> Art. 24, Law on the Chief Official Ethics Commission [http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=467704](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=467704)

*Liability and sanctions for breaching the Law on Lobbying Activities is provided in the Code of Administrative Offences. There have been no cases of applying this article so far. Furthermore, the Code of Administrative Offences does not provide liability for legal persons (while the Law on Lobbying Activities explicitly allows both legal and natural persons to register as lobbyists). Breach of requirements of the Law on Lobbying Activities shall be fined between 500 and 1000 LTL (145-290 EUR) or, accordingly 1000-2000 LTL (290-580 EUR) for a repeated offence.<sup>150</sup>*

*If a lobbyist has not presented in due time a report on lobbying activities the penalty is the suspension of lobbying activities.<sup>151</sup>*

## 24 To what extent are penalties for knowingly filing a false return or failure to file a lobbying registration return implemented in practice?

0 - Never

**1 - Sometimes**

2 - Always

**Score: 1**

*In such cases, the penalty is the suspension of lobbying activities, a penalty applied where a lobbyist has not presented in due time a report on lobbying activities.<sup>152</sup> The COEC is quite effective in doing just that for failure to present a report on lobbying activities. No practice on false reports though.*

## 25 To what extent are oversight bodies required to publicly disclose the names of all individuals or organizations found to have violated lobbying rules or regulations?

0 - No requirement to publicly disclose names of those who violate rules

1 - Disclosure of names of those who violate rules is at the discretion of the oversight body

**2 - Mandatory disclosure of names of those who violate rules and details of the violation**

**Score: 2**

*The names of those who are found to have violated the Law on Lobbying Activities are publicly disclosed in the decisions of the COEC (all of them are public on the website: [http://www.vtek.lt/vtek/index.php?option=com\\_wrapper&view=wrapper&Itemid=48](http://www.vtek.lt/vtek/index.php?option=com_wrapper&view=wrapper&Itemid=48))*

<sup>150</sup> Art. 172(25) of the Code of Administrative Offences [http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=472205](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=472205)

<sup>151</sup> Art. 10, Law on Lobbying Activities, [http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=437586](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=437586)

<sup>152</sup> Generally senior public officials are considered as those in management positions with decision-making authority.



## 26 To what extent are the names of all individuals or organizations found to have violated lobbying rules or regulations published in practice?

- 0 - Never
- 1 - Sometimes
- 2 - Always

Score: 1

*Note: All decisions by the Chief Ethics Commission are public, but due to the loopholes of regulations, they only grasp a small fraction of all violations.*

### LEGISLATIVE FOOTPRINT

## 27 To what extent does the law require the publication of a 'Legislative Footprint' (document that details the time, event, person, and subject of legislators' and senior public officials'<sup>153</sup> contact with a stakeholder) as an annex to all legislative records?

- 0 - No legislative footprint foreseen in law
- 1 - Piecemeal requirements to indicate who has sought to influence legislative or policy making processes in place
- 2 - The law requires publication of a legislative footprint as an annex to all legislative records

Score: 1

*Only those interests groups that provide input in writing using the official procedure of public consulting during the stage of drafting legal acts are published.*

## 28 In practice, do legislators/public officials publish a legislative footprint including details of the time, person, and subject of contacts with stakeholders?

- 0 - No information on contacts publicly disclosed by legislators/public officials
- 1 - Some but insufficient information on contacts publicly disclosed by legislators/public officials
- 2 - Sufficient details of legislators' contact with stakeholders published

<sup>153</sup> Generally senior public officials are considered as those in management positions with decision-making authority.

Score: 1

*Only those interests groups that provide input in writing using the official procedure of public consulting during the stage of drafting legal acts are published.*

## 29 To what extent are SENIOR PUBLIC OFFICIALS required to pro-actively publish documentation related to meetings: calendars, agendas, documentation received from lobbyists etc?

- 0 - No requirement to make documentation related to meetings public
- 1 - Piecemeal requirements to make documentation related to meetings public
- 2 - The law requires publication of comprehensive documentation related to meetings: calendars, agendas, documentation received from lobbyists

Score: 0

*No specific requirement to publish documentation related to meetings*

## 30 To what extent are PUBLIC REPRESENTATIVES (national and subnational legislators) required to pro-actively publish documentation related to meetings: calendars, agendas, documentation received from lobbyists etc?

- 0 - No requirement to make documentation related to meetings public
- 1 - Piecemeal requirements to make documentation related to meetings public
- 2 - The law requires publication of comprehensive documentation related to meetings: calendars, agendas, documentation received from lobbyists

Score: 1

*There is no requirement for specific persons, however, the Law on the Seimas Statute provides general publication requirements. Minutes of Seimas sittings are drawn up and published by the Document Department of the Seimas and signed by the chair of the sitting. Verbatim reports of Seimas sittings are printed in a special publication and made publicly available. The standard is lower for committee meetings. Following each committee meeting, a report has to be prepared to the Seimas Press Service, in which the essence of discussions on the issues concerned and the decisions adopted have to be set forth.<sup>154</sup>*

<sup>154</sup> Seimas of the Republic of Lithuania Statute [http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=473763](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=473763)

*Framing Questions to bear in mind when constructing the narrative for this section: Is there a robust ethical framework for lobbyists (and companies) and lobbying targets in the country and to what extent is it working? Is the onus for integrity placed on both lobbyists and public officials/representatives?*

## POST-EMPLOYMENT AND PRE-EMPLOYMENT RESTRICTIONS

### 31 To what extent does the law provide proportionate moratoria or ‘cooling off periods’ before former members of parliament, senior public servants, ministers and advisers can work as lobbyists?

- 0 - No cooling off period in place
- 1 - Less than 2 year cooling off period in place
- 2 - Cooling off period of at least 2 years in place

Score: 1

*A natural person is not be entitled to be a lobbyist if he is a former state politician, state official, civil servant or judge, if less than one year has elapsed from the expiry of his term of office or the powers, or his dismissal until the filing of an application for recording him in the Register of Lobbyists<sup>155</sup>.*

### 32 To what extent do ‘cooling off periods’ for those who wish to work as lobbyists apply to former members of parliament (national and subnational levels), senior public servants (including in regulatory bodies), members of executive (national and subnational levels) and advisers?

- 0 - No cooling off period in place
- 1 - Cooling off period is in place but does not apply to all categories above
- 2 - Cooling off period applies to all categories above

Tick categories covered:

- |  |   |
|--|---|
| <input type="checkbox"/> Former members of parliament (national)     | <input type="checkbox"/> Advisors   |
| <input type="checkbox"/> Former members of parliament (sub-national) | <input type="checkbox"/> Senior Public Servants   |
| <input type="checkbox"/> Former members of national Executive        | <input type="checkbox"/> Senior staff of regulatory bodies  |
| <input type="checkbox"/> Former members of subnational Executives    | <input checked="" type="checkbox"/> Other : The Law on Lobbying Activities provide a rather broad list of categories: former state politicians, state officials, civil servants or judges |

<sup>155</sup> Art. 3, Law on Lobbying Activities [http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=437586](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=437586)

Score: 2

*A natural person is not be entitled to be a lobbyist if he is a former state politician, state official, civil servant or judge, if less than one year has elapsed from the expiry of his term of office or the powers, or his dismissal until the filing of an application for recording him in the Register of Lobbyists<sup>156</sup>.*

### 33 In practice to what extent do former members of parliament, senior public servants, members of the executive and advisers move easily and directly into the lobbying sector?

- 0 - There have been a significant number of cases of former members of parliament, senior public servants, ministers, ministerial advisers moving directly into the lobbying sector
- 1 - There have been a number of cases of former members of parliament, senior public servants, ministers, ministerial advisers to moving directly into the lobbying sector
- 2 - Former members of parliament, senior public servants, ministers, ministerial advisers rarely move directly into the lobbying sector, usually respecting a cooling off period

Score: 2

*Note: due to the fact that the lobbyists definition is inadequate, the cooling off period is not very effective as people moving between these different sectors usually do not even register as lobbyists, thus the regulation does not apply in practice*

### 34 To what extent does the law require former members of parliament (national and subnational levels), senior public servants (including in regulatory bodies), members of executive (national and subnational levels) and advisers to receive permission from a designated ethics office/agency before taking up an appointment in the private sector where they could lobby their previous employer?

- 0 - No permission required
- 1 - Insufficient Restrictions (Insufficient coverage)
- 2 - Permission required and applies to all above-mentioned categories

Score: 0

### 35 In practice, to what extent do former members of parliament (national and subnational levels), senior public servants (including in regulatory bodies), members of executive (national and subnational levels) and advisers seek permission from a designated ethics office/agency before taking up an appointment in the private sector where they could lobby their previous employer?

<sup>156</sup> Art. 3, Law on Lobbying Activities [http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=437586](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=437586)

- 0 - Never
- 1 - Sometimes
- 2 – Always

Score: 0

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**36** To what extent is there an independent, mandated and well-resourced oversight entity charged with managing post and pre-employment restrictions, offering guidance to individuals and organisations, and investigating apparent breaches or anomalies?

- 0 - No oversight entity exists
- 1 - Oversight agency exists but it is under-resourced and/or insufficiently mandated to provide meaningful oversight
- 2 - A fully mandated and well-resourced oversight entity is in place

Score: 1

*The Chief Official Ethics Commission has the official mandate to do that, but it is not well resourced and the mandate only comprises a narrow scope in terms of lobbying.*

#### CODES OF ETHICS FOR PUBLIC SECTOR EMPLOYEES

**37** To what extent is ethical/responsible lobbying addressed in PUBLIC SECTOR CODES OF CONDUCT (e.g. do they specify standards on how public officials should conduct their communication with interest groups, specify a duty of documentation of contacts, duty to report unregistered or unlawful lobbying to superiors?)

- 0 - No code of conduct exists for public officials and/or codes of conduct do not reflect ethical lobbying guidelines
- 1 - Codes of conduct address ethical lobbying in a piecemeal or insufficient manner
- 2 - Codes of conduct comprehensively address ethical lobbying

Score: 1

*The Code of Conduct for State Politicians names transparency and publicity as one of the main principles of state politician conduct. While there are no direct references to lobbying related activities, the Code of Conduct provides that when making decisions, politicians shall not raise doubts as to honesty, reveal the motives of their conduct and decisions to society, always upkeep to the principles of openness and publicity, except for the cases specified by laws restricting the disclosure of information, and declare their private interests.<sup>157</sup> Similarly, aside from the legal obligations laid out in relevant laws, civil servants are obliged to follow the Civil Servants Ethics Rules. Very broad in nature, these rules only require the servants to adhere to a list of rather declarative principles of behaviour and to act honourably, to not accept any kind of gifts or other remunerations that may cause private-public interest conflicts.<sup>158</sup> Transparency is mentioned as one of the principles on which the Public Service of the Republic of Lithuania shall be based on, along with the rule of law, equality, political neutrality, transparency and career development.<sup>159</sup>*

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**38** To what extent do PUBLIC SECTOR CODES OF CONDUCT specify standards on how public officials should deal with conflicts of interest issues?

- 0 - No code of conduct exists for public officials and/or codes of conduct do not adequately reflect conflict of interest issues
- 1 - Codes of conduct address conflict of interest issues in a piecemeal or insufficient manner
- 2 - Codes of conduct comprehensively address conflict of interest issues

Score: 1

*See above-mentioned*

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**39** To what extent do PUBLIC SECTOR CODES OF CONDUCT specify standards on how public officials should deal with gifts and hospitality issues?

- 0 - No code of conduct exists for public officials and/or codes of conduct do not adequately reflect gifts and hospitality issues
- 1 - Codes of conduct address reflect gifts and hospitality issues in a piecemeal or insufficient manner
- 2 - Codes of conduct comprehensively address reflect gifts and hospitality issues

Score: 1

*See above-mentioned*

<sup>157</sup> Article 4, The Code of Conduct for State Politicians [http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=376953](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=376953) [retrieved 22/04/2014]

<sup>158</sup> Article 2 of the Civil Servants Ethics Rules [http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=169819&p\\_query=&p\\_tr2=](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=169819&p_query=&p_tr2=) [retrieved 22/04/2014]

<sup>159</sup> Law on Public Service [http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=471047](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=471047) [retrieved 22/04/2014]

## 40 To what extent do PUBLIC SECTOR CODES OF CONDUCT deal comprehensively with interest and asset declaration issues?

- 0 - No code of conduct exists for public officials and/or codes of conduct do not adequately reflect asset declaration issues
- 1 - Codes of conduct address asset declaration issues in a piecemeal or insufficient manner
- 2 - Codes of conduct comprehensively address asset declaration issues

Score: 2

*No specific provisions in the code of conduct, but the Law on the Adjustment of Public and Private Interests in the Public Service provides that a person in the civil service shall declare his private interests in accordance with the procedure laid down in this Law and other legal acts, by filing a declaration of private interests (hereinafter referred to as the declaration)<sup>160</sup>.*

## 41 To what extent is there a complaint mechanism allowing any public official or citizen to report violations of the public sector code of conduct?

- 0 - No complaints mechanism exists
- 1 - Complaints mechanism exists but is limited in scope
- 2 - Robust complaints mechanism exists

Score: 1

*No specific complaints mechanisms, but general rules apply – most public sector institutions have complaints channels (either telephone lines or on-line). Ombudsman office exist and the general guidelines for reporting exist. In practice, however, the number of actual reports is very low and while the many channels of reporting do exist and some of them have separate rules of operation there is no common regulation for all public institutions.*

## 42 To what extent are there training and awareness-raising programmes for public officials on integrity issues, including lobbying rules and guidelines?

- 0 - No training/awareness-raising programmes exist on integrity issues
- 1 - Piecemeal and irregular approach to training/awareness-raising on integrity issues
- 2 - Comprehensive and regular training/awareness-raising on integrity issues

Score: 1

<sup>160</sup> Art. 4, Law on the Adjustment of Public and Private Interests in the Public Service [http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=471042](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=471042)

## 43 To what extent is there a STATUTORY CODE OF CONDUCT FOR LOBBYISTS including clear sanctions for failure to adhere to lobbying regulations?

- 0 - No code of conduct exists
- 1 - Code of conduct exists but it is inadequate
- 2 - Statutory code of conduct including sanctions exists

Score: 1

*The Code of Conduct was prepared by the COEC*

## 44 In practice, to what extent are sanctions applied for failure to adhere to lobbying regulations?

- 0 - Sanctions rarely/never applied
- 1 - Sanctions applied, but inconsistently
- 2 - Sanctions consistently applied

Score: 1

*Mostly, these are the sanctions of suspension of permission for lobbying activities, a penalty applied where a lobbyist has not presented in due time a report on lobbying activities<sup>161</sup>.*

## 45 To what extent does the law and/or the lobbyists' code of conduct require disclosure regarding and provide restrictions on lobbyists being hired to fill a regulatory, financial decision-making or advisory post in government?

- 0 - No disclosure requirements or restrictions in place
- 1 - Insufficient Restrictions and disclosure requirements (e.g. lobbyist must deregister but no further restrictions)
- 2 - Sufficient disclosure requirements and restrictions in place (e.g. potential veto of appointment and/or restriction in types of decisions the employee would be involved in making)

<sup>161</sup> Art. 10, Law on Lobbying Activities, [http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=437586](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=437586)

Score: 0

## 46 To what extent does the law and/or codes of conduct prohibit simultaneous employment as a lobbyist and a public official?

- 0 - No mention of prohibition of simultaneous employment as a lobbyist and a public official
- 1 - Law/Code of conduct discourages but does not explicitly prohibit simultaneous employment as a lobbyist and a public official
- 2 - Law/Code of conduct explicitly prohibits simultaneous employment as a lobbyist and a public official

Score: 2

*A state politician, state officials, civil servants or judges is not be entitled to be a lobbyist<sup>162</sup>.*

## 47 To what extent is there a complaint mechanism allowing any policy-maker or citizen to report violations of the lobbying regulations?

- 0 - No complaints mechanism exists
- 1 - Complaints mechanism exists but is limited in scope
- 2 - Comprehensive complaints mechanism exists

Score: 1

*Among other things, the competence of the COEC is defined as to investigate notifications, complaints and requests of natural and legal persons regarding the conformity of activities of natural or legal persons with the provisions of the Law on Lobbying Activities<sup>163</sup> In practice, however, the number of actual reports not existing (or very low).*

### SELF-REGULATORY CODES OF ETHICS FOR LOBBYISTS

## 48 To what extent are there SELF-REGULATORY CODE(S) OF ETHICS managed by professional association(s) for lobbyists or by companies themselves?\*

<sup>162</sup> Art. 3 Law on Lobbying Activities, [http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=437586](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=437586)

<sup>163</sup> Art. 17, Law on the Chief Official Ethics Commission [http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=467704](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=467704)

0 - No code of ethics exists

- 1 - Code of ethics exists but it is inadequate
- 2 - Code of ethics including sanctions exists

Score: 0

*There is no effectively working professional association; the companies may only have general provisions in their Codes of Conduct. The Lobbyists' Code of Ethics was prepared by the COEC – it was mandated to do that by law and the Code is obligatory according to law.*

## 49 To what extent do existing self-regulatory codes of ethics for lobbyists include specific behavioural principles that steer lobbyists away from unethical situations?\*

0 - Codes do not provide any behavioural principles that steer lobbyists away from unethical situations

- 1 - Codes mention behavioural principles but are vague and/or incomplete
- 2 - Codes of ethics for lobbyists include specific behavioural principles that steer lobbyists away from unethical situations

Check all categories covered by codes:

- Requiring honesty and accuracy of information provided to public officials
- Requiring early disclosure to public officials of the identity of client and interests being represented
- Refraining from using information obtained in violation of the law
- Refraining from encouraging public officials to violate the law
- Banning gifts above a de minimis value, fees, employment or any other compensation from a lobbyist to a public official.
- Requiring speedy disclosure of any conflict of interest and management of such conflicts of interest or recusal
- Making ethics training a condition of membership in the association.
- Establishing a reasonably independent mechanism for monitoring and enforcing compliance to the ethics code.
- Others, please specify \_\_\_\_\_

**Score: 0**

*There is no effectively working professional association; the companies may only have general provisions in their Codes of Conduct. The Lobbyists' Code of Ethics was prepared by the COEC – it was mandated to do that by law and the Code is obligatory according to law. It is very broad in nature, but in general terms does require honesty and full disclosure.*

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## **50** To what extent do existing self-regulatory codes require lobbyists to publicly disclose the identity of who they are representing and what they are lobbying for?\*

**0 - No information required to be publicly disclosed by lobbyists**

- 1 - Only basic information required to be publicly disclosed and/or the information is not public
- 2 - Sufficient information required to be publicly disclosed (name of the persons or organizations paying for the lobbying activities; names of the lobbyists' clients; specific subject matter lobbied)

**Score: 0**

*There is no effectively working professional association; the companies may only have general provisions in their Codes of Conduct. The Lobbyists' Code of Ethics was prepared by the COEC – it was mandated to do that by law and the Code is obligatory according to law. It is very broad in nature, but in general terms does require honesty and full disclosure.*

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## **51** To what extent do existing self-regulatory codes prohibit simultaneous employment as a lobbyist and a public official?\*

**0 - No mention of prohibition of simultaneous employment as a lobbyist and a public official**

- 1 - Code of conduct discourages but does not explicitly prohibit simultaneous employment as a lobbyist and a public official
- 2 - Code of conduct explicitly prohibits simultaneous employment as a lobbyist and a public official

**Score: 0**

*There is no effectively working professional association; the companies may only have general provisions in their Codes of Conduct. The Lobbyists' Code of Ethics was prepared by the COEC – it was mandated to do that by law and the Code is obligatory according to law. It is very broad in nature, but in general terms does require honesty and full disclosure.*

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## **52** To what extent is there a complaint mechanism allowing any member or non-member of the association to report violations of the lobbying code of ethics?\*

**0 - No complaints mechanism exists**

- 1 - Complaints mechanism exists but is limited in scope
- 2 - Robust complaints mechanism exists

**Score: 0**

*There is no effectively working professional association; the companies may only have general provisions in their Codes of Conduct. The Lobbyists' Code of Ethics was prepared by the COEC – it was mandated to do that by law and the Code is obligatory according to law. It is very broad in nature, but in general terms does require honesty and full disclosure.*

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## **53** To what extent are there reasonably independent mechanisms for the monitoring and enforcement of compliance with the ethics code(s)?\*

**0 - No monitoring and enforcement mechanisms exists**

- 1 – The monitoring mechanism exists but is not independent, or is limited in scope
- 2 – A robust and reasonably independent monitoring and enforcement mechanism exists

**Score: 0**

*There is no effectively working professional association; the companies may only have general provisions in their Codes of Conduct. The Lobbyists' Code of Ethics was prepared by the COEC – it was mandated to do that by law and the Code is obligatory according to law. It is very broad in nature, but in general terms does require honesty and full disclosure.*

## **EQUALITY OF ACCESS - THE LEVEL PLAYING FIELD**

*Framing Questions to bear in mind when constructing the narrative for this section: Are there are sufficient spaces in the system to allow for diverse participation and contribution of ideas and evidence by a broad range of interests that lead to policies, laws, and decisions which best serve society and broad democratic interests?*

### **CONSULTATION AND PUBLIC PARTICIPATION IN DECISION-MAKING**

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## **54** To what extent is the Parliament required by law to allow citizens and the public (corporations and civic organizations) to provide equal input to members regarding items under consideration, with sufficient notice and time incorporated in the legislative process to receive this input?

- 0 - The legal framework does not consider the provision of input to the legislative process.
- 1 - The legal framework allows for citizens and the public (corporations, civic organizations) to provide input to parliament, but it does not make any provisions regarding equal access, sufficient notice and time to receive this input
- 2 - Parliament is required by law to allow the citizens and the public (corporations and civic organizations) to provide equal input to members regarding items under consideration, with sufficient notice and time incorporated in the legislative process to receive this input.**

**Score: 2**

*The Law on Legislative Framework provides the main principles on which the legislative process in Lithuania should be based. Openness and transparency are among them, providing that legislation has to be public, inclusive and that all actors participating in all stages of legislation must be disclosed. The law also requires that the legislative process must ensure consultations that are timely and proportionate. Working groups / commissions preparing draft laws may be comprised of representatives from state and municipal institutions, NGOs, educational and study institutions and other people, specifically excluding lobbyists<sup>164</sup>.*

**55** To what extent does the legal framework lay out in a law or a group of laws the varied means for public participation in the formulation, implementation, and evaluation of policies, including timeframes and specific mechanisms to disseminate public meeting information, attendance and participation rules, instruments and tools to submit comments and opinion on specific policies?

- 0 - There are no procedures and rules for participation in policy discussions and decision making processes, or they are ad hoc to each policy and decision making process.
- 1 - There are some provisions for making public the means of participation in policy, but they are not specific, or they are relegated to policy directives.
- 2 - Yes, there is a specific regulatory framework that clearly lays out in a law or a group of laws the varied means for public participation in the formulation, implementation, and evaluation of policies, including timeframes and specific mechanisms to disseminate public meeting information, attendance and participation rules, instruments and tools to submit comments and opinion on specific policies.**

**Score: 2**

*See answers above*

**56** To what extent does the legal framework explicitly require public authorities to ensure equal participation by all affected groups and stakeholders in decision-making processes?

<sup>164</sup> Law on Legislative Framework, [http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=453597](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=453597) [retrieved 22/04/2014]

- 0- There are no provisions regarding the consultation of groups and stakeholders affected by policy.
- 1- Some provisions regarding the equal participation of affected groups exist, but they are not specific, or they are relegated to policy directives.**
- 2- The legal framework explicitly requires public authorities to ensure equal participation by all affected groups and stakeholders in decision-making processes.

**Score: 1**

*See answers above; the challenge in practice is that there is no mechanism to subscribe to a certain issue to receive notifications about its developments.*

**57** In practice, which of the following forms of public participation are routinely used?<sup>165</sup>

- Informal consultation with selected groups
- Broad circulation of proposals for comment
- Public notice and calling for comment
- Public meeting
- Posting proposals online
- Advisory/Expert Groups
- Preparatory Public Commission/committee
- Others, please specify \_\_\_\_\_

**58** In practice, to what extent are consultations open to participation from any member of the public?

<sup>165</sup> A good source of information for indicators 56-58 is the OECD Draft Report on Progress made in implementing the OECD Principles for Transparency and Integrity in Lobbying, p. 20. The indicator questions draw heavily on the OECD draft report.

- 0 - Consultations are rarely/never open to any member of the public
- 1 - Consultations are sometimes but not always open to any member of the public
- 2 - Consultations are generally open to any member of the public**

Score: 2

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## 59 In practice, to what extent are the views of participants in the consultation process made public?

- 0 - The views of participants in the consultation process are rarely/never made public
- 1 - The views of participants in the consultation process are sometimes but not always made public
- 2 - The views of participants in the consultation process are always made public**

Score: 2

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## 60 To what extent does the legal framework explicitly require public authorities to provide a detailed justification on why and how various submissions have or have not been taken into account in policy and decision-making processes after consultation?

- 0 - There are no provisions requiring public authorities to explain whether and how they have considered participation, or there is no participation provided for.
- 1 - There are some provisions requiring public authorities to explain whether and how they have considered submissions, but they are not specific, or they are relegated to policy directives.**
- 2 - The law explicitly requires public authorities to provide a detailed justification on why and how submissions have or have not been taken into account in policy and decision-making processes after consultation.

Score: 1

*This only applies to submissions that have been made in writing during the official stage of calling for submissions in the Parliament*

### ADVISORY/EXPERT GROUP COMPOSITION<sup>166</sup>

## 61 To what extent is there a legal obligation to have a balanced composition (between private sector and civil society representatives) of advisory/expert groups?

- 0 - No requirement to have balanced composition**
- 2 - The law requires meaningful balanced composition between private sector and civil society representatives

Score: 0

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## 62 In practice, to what extent is there a balanced composition (between private sector and civil society representatives) of advisory/expert groups?

- 0 - Advisory groups are generally biased towards particular interests
- 1 - Advisory groups are sometimes balanced, sometimes not**
- 2 - There is a meaningful balance between private sector and civil society representatives on advisory groups

Score: 1

*Working groups / commissions preparing draft laws **MAY BE** comprised of representatives from state and municipal institutions, NGOs, educational and study institutions and other people, specifically excluding lobbyists<sup>167</sup>.*

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## 63 To what extent are lobbyists prohibited from sitting on advisory/expert groups in a personal capacity?

- 0 - Lobbyists can freely sit on advisory groups in a personal capacity
- 2 - Lobbyists are prohibited from sitting on advisory/expert groups in a personal capacity**

Score: 2

*Working groups / commissions preparing draft laws may be comprised of representatives from state and municipal institutions, NGOs, educational and study institutions and other people, specifically excluding lobbyists<sup>168</sup>.*

<sup>166</sup> Following the OECD definition, here an advisory or expert group refers to any committee, board, commission, council, conference, panel, task force or any subcommittee set up by government (executive, legislative or judicial branch) or any of its subgroups to provide it with advice, expertise or recommendations. In some countries, advisory groups will be regulated differently depending on which sector/institution is concerned. If this is the case, we suggest the focus should be on parliamentary advisory group involved in the process of legislating. A good source of information for this set of indicators is the OECD Draft Report on Progress made in implementing the OECD Principles for Transparency and Integrity in Lobbying, p. 66-68. The indicator questions draw heavily on the OECD draft report.

<sup>167</sup> Law on Legislative Framework, [http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=453597](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=453597) [retrieved 22/04/2014]

<sup>168</sup> Law on Legislative Framework, [http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_l?p\\_id=453597](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=453597) [retrieved 22/04/2014]



## 64 To what extent are corporate executives prohibited from sitting on advisory groups in a personal capacity?

- 0 - Corporate executives can freely sit on advisory groups in a personal capacity
- 2 - Corporate executives are prohibited from sitting on advisory/expert groups in a personal capacity

Score: 0

## 65 With regard to advisory/expert groups, to what extent is membership information, agendas, minutes and participants' submissions required to be made public?

- 0 - Information not publicly available
- 1 - Information available, but only on request
- 2 - Information publicly available online or in print form

Score: 1

## ANNEX II: RESEARCH METHODOLOGY

### METHODOLOGY NOTE

This report is part of the European Commission funded 'Lifting the Lid on Lobbying' project, which sees 18 European countries assess the situation with regard to lobbying and its regulation in their country.<sup>169</sup> The report aims to:

- Assess existing lobbying regulations, policies and practices in Lithuania
- Compile evidence about corruption risks and incidences related to lack of lobbying control
- Highlight promising practice around lobbying found in Lithuania
- Provide recommendations and solutions for decision-makers and interest representatives in the public and private sector

### DEFINITIONS

The definition of lobbying for this project is "Any direct or indirect communication with public officials, political decision-makers or representatives for the purposes of influencing public decision-making carried out by or on behalf of any organised group."<sup>170</sup>

'Lobbyists' can include not only professional lobbyists, but private sector representatives (in-house lobbyists), public affairs consultancies, representatives from NGOs, corporations, industry/professional associations, trade unions, think tanks, law firms, faith-based organisations and academics.<sup>171</sup>

We believe that regulation should capture all who lobby professionally and our definition purposefully excludes individual citizens lobbying on their own behalf as this is considered part of a normal healthy democratic process and not something which should be unduly regulated. A number of case studies are included, which highlight incidences of undue lobbying, clearly showing there are risks for society at large when lobbying is allowed to take place in the shadows or without any regulation.

<sup>169</sup> The participating countries are Austria, Bulgaria, Cyprus, Czech Republic, Estonia, France, Germany, Hungary, Ireland, Italy, Latvia, Lithuania, Poland, Portugal, Slovakia, Slovenia, Spain, and the United Kingdom.

<sup>170</sup> This definition draws heavily on the Sunlight Foundation Lobbying Guidelines (<http://sunlightfoundation.com/blog/2013/12/03/announcing-sunlights-international-lobbying-guidelines/>), the OECD Draft Report on Progress made in implementing the OECD Principles for Transparency and Integrity in Lobbying (2014, forthcoming) and Council of Europe Parliamentary Assembly Recommendation 1908 (2010) on lobbying in a democratic society.

<sup>171</sup> See Transparency International (2012) Regional Policy Paper 'Lobbying in the European Union: Levelling the Playing Field', accessible online at [http://www.transparency.de/fileadmin/pdfs/Themen/Politik/ENIS\\_Regional\\_Policy\\_Paper\\_Lobbying.pdf](http://www.transparency.de/fileadmin/pdfs/Themen/Politik/ENIS_Regional_Policy_Paper_Lobbying.pdf)

## ASSESSING LOBBYING RULES AND PRACTICE – OUR APPROACH

*TRANSPARENCY is crucial if there is any chance of public trust in politics being restored. When looking at transparency around lobbying practices, our research sought to answer the following overarching question: to what extent does the public have sufficient knowledge of (a) who is lobbying public representatives (b) on what issues they are being lobbied (c) when and how they are being lobbied (d) how much is being spent in the process (e) what is the result of these lobbying efforts? We also sought to investigate whether the onus for transparency is placed on both the lobbyist and the public official/representative.*

*We believe that transparency of lobbying must be embedded within a broader public sector INTEGRITY framework which mitigates the risks of conflicts of interest when important decisions are being taken. To understand how well-insulated countries are against undue lobbying, our research sought an answer to the following overarching questions about ethical lobbying: Is there a robust ethical framework for lobbyists (and companies) and lobbying targets in the country and to what extent is it working? Is the onus for integrity placed on both lobbyists and public officials/representatives?*

*Finally, when regulating lobbying, transparency and integrity measures are crucial but they must be accompanied by rules that allow for EQUALITY OF ACCESS to decision makers, which is essential to fairness and pluralism in the political system. Our research asked whether there are enough spaces in the system to allow for diverse participation and contribution of ideas and evidence by a broad range of interests that lead to policies, laws, and decisions which best serve society and broad democratic interests.*

## DATA COLLECTION AND VALIDATION

The research was carried out by Transparency International Lithuanian Chapter Executive Director Sergejus Muravjovas and Project Leader Ruta Mrazauskaite during the period from March to October 2014. When conducting the research, the researchers drew on numerous secondary sources such as existing sociological surveys, academic articles and reports in the media. Also, the legal framework has been analysed extensively.

This secondary data was complemented by primary data obtained from fifteen in-depth interview-

ees with policymakers, regulatory and oversight bodies, lobbyists, business associations, Lithuanian Journalists Association, private sector representatives and experts in the field of lobbying. Interviews were particularly useful for finding out additional information not on the public record, and for gathering evidence on the implementation of regulations and more generally, what is happening in practice. A list of interviewees is included in Annex 3 of this report. In a few cases, anonymity was requested by interviewees because of the sensitivity of the information and this was granted.

The research was primarily qualitative; however a quantitative element was also included in order to evaluate the robustness and efficacy of national regulations and self-regulation mechanisms around lobbying and to allow for some comparison across the countries.<sup>172</sup> To this end, a set of 65 indicators were scored by the researcher, based on the qualitative information gathered through the research.

A 3-point scale was used to score the indicators, with a minimum score of 0 and a maximum score of 2.<sup>173</sup> An overall score (in percent form) was then calculated for each of the core dimensions: Transparency, Integrity and Equality of Access. The completed questionnaire and scores are included as an annex to this report.

This report provides a detailed look at the lobbying landscape in Lithuania and highlights key gaps and deficiencies in the approach to regulating lobbying, which are leaving society exposed to the risks of unclear and unfair decisions being taken by public officials and representatives in the name of the people. Our aim is to bring attention to the issue and promote positive change. To this end, the report puts forward a set of key recommendations and solutions suggesting how the weaknesses identified should be tackled.

<sup>172</sup> A regional report compiling and comparing the national results is foreseen for publication in early 2015.

<sup>173</sup> In a limited number of cases, where no logical intermediary position exists, only a minimum value of 0 and a maximum value of 2 are offered.

## ANNEX III: A LIST OF INTERVIEWEES

1. Rasa Svetikaite, Chief Adviser to the President, Office of the President of the Republic of Lithuania
2. Valentinas Stundys, Member of Lithuanian Parliament, Chairman of the Ethics and Procedures Commission
3. Ruta Skyriene, Executive Director of Investors' Forum
4. Vitalijus Gailius, Member of Lithuanian Parliament, Chairman of Anti-Corruption Commission
5. Rimantas Šidlauskas, Executive Director of the Association of Vilnius Chamber of Commerce, Industry and Crafts
6. Remigijus Rekerta, expert, former head of the Chief Official Ethics Commission
7. Lithuanian Bank representative
8. Šarūnas Frolenko, Ventonuovo, lobbyist
9. Virginija Mulvainaitė, advisor, Chief Official Ethics Commission
10. Vidmantas Mečkauskas, Special Investigation Service
11. Liudas Jurkonis, Fraud Investigation & Dispute Services Baltic region leader, Ernst&Young Lithuania (company registered as a lobbyist in Lithuania)
12. General Prosecutors Office representative
13. Andrius Romanovskis, Meta Advisors, former lobbyist
14. Lina Venskaitytė, Managing partner at Nova media Public Relations/Public Affairs
15. Dainius Radzevičius, Chairman, Lithuanian Journalists Association

## ANNEX IV: OVERVIEW OF MEDIA PUBLICATIONS AND PRESS RELEASES FOR 2012-2013

### 2013

#### January

- <http://www.lprofsajungos.lt/?lang=lt&mID=1&id=4401> Lithuanian Human Rights Protection Association reports initiating a petition for returning back basic monthly salaries to budgetary institutions' and organizations' employees.
- <http://www.lrytas.lt/-13582396031355946202-stiprus-alus-v%C4%97I-gali-gr%C4%AF%C5%BEBEti-%C4%AF-parduotuvi%C5%B3-lentynas-papildyta.htm> Lithuanian Minor Brewmakers Association reports providing complaints to Seimas for Alcohol Control Law changes.
- <http://www.lvk.lt/lt/naujienos/lvk-sveikatos-reikalu-komisija-kovos-uz-paciento-teise-rinktis-ir-privacios-iniciatyvos-teise-veikti?p=8> Lithuanian Business Confederation reports criticizing the Health Ministry's proposed Health Insurance Act project.
- <http://www.tikra.lt/index.php/naujienos/426-piketas-prie-teismo> Lithuanian Trade Unions Association reports organizing a rally against limiting a strike right.
- <http://www.laa.lt/asociacijos-naujienos/Lietuvos-autoverslininku-Sizifo-projektas-id68-90> Lithuanian Autoentrepreneurs Association reports suggesting the Transport Ministry changes for Value-added Tax Act.

#### February

- <http://autotvarkymas.lt/del-eksploatuoti-netinkamu-transporto-priemoniu-tvarkymo-taisykliu-9-punkto-nuostatu/2396/> End-of-life Vehicle Management Association reports applying to the Environment Ministry for amending ELV Management rules.
- <http://www.lprofsajungos.lt/?lang=lt&mID=1&id=4417> Socialist People's Front (political party) reports organizing a lobby for high heating prices and Vilnius public transport reforms.

#### March

- [http://www.lba.lt/go.php/lit/Mokejimu\\_istatymo\\_pataisu\\_ordinatoriai\\_pasik/520/1](http://www.lba.lt/go.php/lit/Mokejimu_istatymo_pataisu_ordinatoriai_pasik/520/1) Lithuanian Banks Association reports providing conclusions of Seimas (Lithuanian parliament) initiated Paying Act project.
- <http://www.delfi.lt/news/daily/lithuania/grupe-pilieciu-rinks-parasus-kad-butu-palengvinti-istatymu-leidybos-iniciatyvos-reikalavimai.d?id=60974347> Initiative group reports collecting signatures for easing law-making initiatives.

- <http://www.lvk.lt/lt/naujienos/lvk-atstovai-susitiko-su-seimo-ekonomikos-komiteto-pirminin-ku-remigijum-zemaitaičiu?p=8> Lithuanian Business Confederation reports initiating a revision of Public Interest Protection Act.

#### April

- <http://www.veidas.lt/parama-zemes-ukiui-turi-buti-susieta-su-rezultatu> General Landowners Congress reports suggesting a guideline to Government for supporting farming.

#### May

- <http://www.lvk.lt/lt/naujienos/asmens-kodo-apsauga--teise-i-privatuma-ar-trukdis-naudotis-inovatyviomis-paslaugomis?p=7> Lithuanian Business Confederation reports providing a proposal for easing a personal number protection.
- <http://www.lvk.lt/lt/naujienos/-viesuju-pirkimu-istatymo-pataisomis-reikia-siekti-pirkimu-efektyvumo-ir--biurokratizmo-mazinimo?p=7> Lithuanian Business Confederation reports its suggestions to Government for Public Procurement Act project.

#### June

- <http://www.lvk.lt/lt/naujienos/-lietuvos-verslo-konfederacija-ragina-priimti-tik-ekonomiskai-pagristus-mokesciu-istatymu-pakeitimus> Lithuanian Business Confederation reports providing its suggestions to Government for Tax Act project.
- <http://www.advoco.lt/lt/advokatams-padejejams/naujienos-advokatams/seimo-teises-ir-pv5v.html> Lithuanian Bar Association reports providing Seimas (Lithuanian parliament) recommendations for Bar Act corrections.

#### July

- <http://www.lprofsajungos.lt/?lang=lt&mID=1&id=4546> National Policemen Trade Unions Association reports negotiating with Government about law enforcement system.

#### September

- <http://www.advoco.lt/lt/advokatams-padejejams/naujienos-advokatams/parengtas-administraciniu-byly-9wfn.html> Lithuanian Bar Association reports providing the Justice Ministry a project of Republic of Lithuania Administrative Proceeding Act amendments.

#### October

- <http://www.veidas.lt/gydytoju-sajunga-istatymo-pataisa-del-privaciu-interesu-deklaravimo-buti-na-tobulinti> The Doctors' Association (trade union) reports providing the Health Ministry a written proposal to amend the proposed system for public-private interests declaration.
- <http://vz.lt/Default.aspx?PublicationId=67a0f08d-8e49-415c-9ed4-1dd43faea98f> It is reported "Chevron" is proposing to establish a proper judicial base for the investors.

#### November

- <http://www.lprofsajungos.lt/?lang=lt&mID=1&id=4596> Some of non-governmental organizations provide open letter to society, authorities and political parties for establishing an alternative financial source in health care sector.
- <http://www.lrytas.lt/-13832282371381727840-si%C5%ABloma-%C4%AFstatymo-pataisa-pridarys-vargo-mirusi%C5%B3j%C5%B3-artimiesiems.htm> Municipal Ward Association (?) reports applying to Seimas (Lithuanian parliament) for Local Self-government Act amendments.
- <http://www.advoco.lt/lt/advokatams-padejejams/naujienos-advokatams/istatymo-projektu-svarstymas-ccmn.html> Lithuanian Bar Association reports providing Seimas (Lithuanian parliament) Private Prosecution, Defamation and Insult bill.
- [http://www.lla.lt/lt/naujienos/naujienos/lla\\_siulymai\\_del\\_lr\\_bibliotekos\\_istatymo](http://www.lla.lt/lt/naujienos/naujienos/lla_siulymai_del_lr_bibliotekos_istatymo) Lithuanian Publishers Association reports presenting to the Culture Ministry suggestions for Republic of Lithuania Libraries Act project.

#### December

- <http://vz.lt/Default.aspx?PublicationId=5df5263e-7ac9-47c7-8ada-df5bcf42124b> City mayors report providing Government a proposal to amend Real Estate Act.
- <http://vz.lt/article/2013/12/5/profsajungos-reikalauja-kelti-minimalia-alga> Trade unions report organizing a protest in order to draw Government's attention for raising minimal monthly salary.
- <http://vz.lt/Default.aspx?PublicationId=31bfea39-7f04-45d2-86ab-5aedb7f6fdde> (pasirodė jdomus) Businessmen and investors report opposing Income Tax Act amendments.
- <http://vz.lt/Default.aspx?PublicationId=34648b25-4ef9-4e74-88bb-ba30fc8b116e> Lithuanian amateur fishermen report picketing near Seimas (Lithuanian parliament) against Fishery Act corrections.
- <http://www.lpsdps.com/?ac=news&id=332> Lithuanian Trade Unions Association reports assisting Seimas (Lithuanian parliament) in drafting Labor Code project.

### Year 2012

#### January

- <http://vz.lt/Default.aspx?PublicationId=8ce361bf-5d89-478c-826d-2451d3dd9b47> Vilnius residents report establishing an initiative group in order to encourage law-making processes against racket in the Old-Town during the night.
- <http://www.lpsk.lt/2012/01/31/mokytojai-rengiasi-streikui-ministerijai-zeria-kaltinimus-arogancija/> Lithuanian Education Trade Union reports providing Government and the Education and Science Ministry a proposal for altering schools' financing system.

#### February

- <http://www.lgs.lt/lgs-nesutinka-su-ministeriju-pozicija-del-paciento-sveikatos-duomenu-teikimo.html> Lithuanian Doctors Alliance reports opposing the Health Ministry for its position about providing patients data.

## March

- [http://www.matininkuasociacija.lt/lt/naujienos/naujienos/lma\\_issiuente\\_rasta\\_del\\_georeferencinio\\_pagrindo\\_kadastro/](http://www.matininkuasociacija.lt/lt/naujienos/naujienos/lma_issiuente_rasta_del_georeferencinio_pagrindo_kadastro/) Lithuanian Surveyors Association reports providing Government a proposal for correcting a project "On georeferenced cadastral base establishment, its regulation and onset of actions".
- <http://www.lzss.lt/lt/articles/view/8> Lithuanian Land Owners Alliance reports providing Seimas (Lithuanian parliament) its position on Land Tax Act amendments.

## April

- <http://vz.lt/Default.aspx?PublicationId=eb2d0136-d047-4cab-8989-cc40b39d1092> Lithuanian Insurers Association reports objecting the ratification of Accountancy Act.
- <http://vz.lt/Default.aspx?PublicationId=581ab0ee-0f20-4afd-9cc2-0738e4f04e41> Lithuanian Municipalities Association reports pleading the President for vetoing Waste Management Act.

## May

- <http://www.lpsk.lt/2012/05/10/lpsk-tarnautoju-ir-statutiniu-pareigunu-algas-reikia-atstatyti-nedelsiant/> Lithuanian Trade Unions Confederation reports encouraging raising salaries to civil servants and statutory officers.
- <http://www.ve.lt/naujienos/nuomones/skaitytoju-ekspresas/ne-darbo-kodekso-pataisoms-747082/> Lithuanian Trade Unions Confederation reports publishing an open letter against new version of Labor Code.

## June

- <http://vz.lt/Default.aspx?PublicationId=e78c78ce-e550-417c-ac94-21811afd5be9> Special Investigation Service reports providing anti-corruption evaluation on Nuclear Plant bill.
- <http://www.lpsk.lt/2012/06/05/probacijos-istatymo-igyvendinima-praso-atideti-iki-2014-metu/> Lithuanian Probation Workers Trade Union reports pleading Seimas (Lithuanian parliament) to postpone Probation Act's entry into force.
- <http://privatipensija.lt/pensiju-fondu-dalyviu-asociacija-kreipesi-i-seimo-narius.html> Lithuanian Pension Fund Participants Association reports applying to Seimas (Lithuanian parliament) for corrections of Pension Fund Act.
- <http://www.lmt.lt/lt/naujienos/archive/p220/lietuvos-mokslo-taryba-vjge.html> Lithuanian Science Council reports offering recommendations to Seimas for improving legislation on selection and duties of academic ethnic and procedures inspector.

## August

- <http://www.lbaa.lt/index.php?p=2&id=142> Lithuanian Accounting and Accountants Association reports inviting its members to review Audit Act and provide conclusions on it.

## September

- <http://www.lgs.lt/lgs-inicijuos-medicinos-praktikos-istatymo-nauja-redakcija.html> Lithuanian Doctors Alliance reports initiating new version of Medical Internship Act.

## October

- <http://www.lrta.lt/index.php?page=18> Republic of Lithuania Judges Association reports providing Seimas its conclusions on project of Courts Act amendments.

## November

- <http://www.lpsk.lt/2012/11/06/lietuvos-svietimo-profesine-sajunga-ruosia-pataisas-del-ateinanciu-metu-biudzeto/> Lithuanian Education Trade Union reports providing Seimas (Lithuanian parliament) corrections on the next year state budget.
- <http://www.lvk.lt/lt/naujienos/lietuvos-verslo-konfederacija-butina-keisti-leidimu-gyventi-isdavimo-reglamentavima?p=9> Lithuanian Business Association reports suggesting corrections on regulations of issuing residence permits.

## December

- <http://vz.lt/Default.aspx?PublicationId=f208c040-6196-4451-a229-3c6476995041> Lithuanian businessmen and employers represented organisations reports opposing amendments on EU Tobacco Products Directive.
- <http://www.antstoliurumai.lt/index.php/pageid/1013/articlepage/7/articleid/2208> Lithuanian Bailiffs Chamber reports introducing an offer to Seimas (Lithuanian parliament) to analyze effectiveness before establishing any fine reforms.
- <http://intpa.lt/m-statulevicius-8-pastabos-vyriausybes-programai-del-nt-sektoriaus-ir-investiciju-skatinimo/> Lithuanian Real Estate Development Association reports providing Government remarks on stimulation of Real Estate sector and investment.
- <http://intpa.lt/verslas-kviecia-atsaukti-zemes-mokescio-pakeitimus-ir-svarstyti-visuotinio-ir-vieningo-nt-mokescio-ivedima/> Lithuanian Real Estate Development Association, Lithuanian Industrialist Confederation and Investors Forum report suggesting not letting new version of Land Tax Act take into force and establishing universal Real Estate Tax bill.



