

LOBBYING TRANSPARENCY IN LITHUANIA OR PUBLISH WHOM YOU MEET

**An overview of meetings with interest groups held by
Lithuanian MPs in 2017-2020**

VILNIUS, 2020

Transparency International Lithuania (TI Lithuania) is an active member of the global Transparency International Movement with more than 20 years of activity. TI Lithuania promotes integrity and educates others about the damage of corruption and benefits of transparency. It seeks to encourage and organize civil initiatives for transparency and anti-corruption in Lithuania.

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Executive Summary

Lithuania is one of a few countries in Europe that has been regulating lobbying activities by law for almost ten years now. While many attempts were made to improve the law (last amended in 2017), it still remains one of the most criticised regulations within the current political cycle. A narrow definition of lobbying and inadequate measures for tracking attempts to influence legislation determined that decision-making processes have been usually influenced outside the scope of lobbying regulation.¹

Aiming to better grasp what interest groups may affect decision making within the Parliament, in 2017 Transparency International Lithuania (further – TI Lithuania) reviewed publicly available parliamentarians' agendas. The first analysis showed that more than a half of parliamentarians did not even have publicly accessible work calendars.² As a consequence, TI Lithuania continued with the initiative encouraging MPs to publish their meetings with interest groups communicating **that a good politician is a transparent and an active politician**.

Thus, the aim of this report is to analyse how members of the Parliament of the Republic of Lithuania have been publishing their meetings with various interest groups during the past three years, and demonstrate that soft measures could also bring more transparency to decision making processes in the country.

TI Lithuania analysed information published in MPs' public agendas, their personal websites and the website www.manosusitikimai.lt during the past three years (September 10th, 2017 – February 16th, 2020); looked at meetings with non-governmental organizations (NGOs), businesspeople, registered lobbyists, and other interest groups.

Key findings

- I. The number of meetings and MPs disclosing them **increased over time**.
- II. Since spring 2017, overall **99 MPs out of 152** have published at least one meeting with interest groups and declared a **total of 3597 meetings**.
- III. It seems that newly elected MPs are more incentivized to work transparently and with integrity. Over the past three years, **4 out of 5 meetings** were published by the parliamentarians who have been in the office for the first term.
- IV. Almost **8 in 10** of all declared MPs meetings were published by **Lithuanian Farmers and Greens Union** (ruling political group) and **Liberals Movement** (opposition) political groups.
- V. Most of the declared meetings are **with “unregistered lobbyists”**. Over the past three years, the largest number of meetings was held with **business associations and businesspeople** (1131) accounting for one-third (32 per cent) of all published meetings with interest groups. In comparison, there were only 63 (1,8 per cent) meetings with registered lobbyists.
- VI. **Meetings' entries have become more elaborate over time, however, not all of them are clear**. For example, only a name or an area, where an interest group is active, is provided.
- VII. **Open Parliament Data³ – advocacy win** based on the analysis of MPs agendas, and publication of results.

¹ TI Lithuania, Backstage politics, (Vilnius: TI Lithuania, 2015), https://www.transparency.lt/wp-content/uploads/2015/10/backstage_politics_understanding_lobbying_in_lithuania.pdf

² TI Lithuania, Publish whom you meet: an overview of MPs meetings, (Vilnius: TI Lithuania, 2017), https://www.transparency.lt/wp-content/uploads/2017/09/Seimo-nariu-susitikimai_2017.pdf

³ https://www.lrs.lt/sip/portal.show?p_r=35391&p_k=1

Key recommendations

TI Lithuania proposes MPs to publish:

- **WHO** are they meeting with: organization's title, representative's name, time and place. Disclose all the meetings with lobbyists and interest groups.
- **WHAT** is the purpose or the topic of the meeting. Identify questions to be discussed or proposals received.
- **WHERE** to find the agenda. Announce their meetings on their agenda on Parliament's website or provide links to your personal website.

TI Lithuania proposes for policy makers to:

- expand the definition of lobbyist as defined in the Law on Lobbying Activities and require that all attempts to influence decision making are registered;
- include a cross-declaration of meetings into the Law on Lobbying Activities meaning that both politicians and registered lobbyists should declare their contacts with each other;
- open data provisions for the transparency register of lobbyists that could allow to prevent and detect potential conflicts of interest and illicit influence to lawmakers.

Introduction

Open decision-making process is key to any functioning democratic society, also being a cornerstone to building greater trust between citizens and policy makers. Throughout the years, trust in government has been of a major challenge followed by concerns over the undue influence of vested interests over decision making.⁴ In addition, the lack of political integrity, unequal stakeholders' access to decision-makers has been drawing attention to possible corruption risks. According to the Special Eurobarometer 470 (2017), nine in ten Lithuanian respondents (87 per cent) and nearly eight in ten Europeans (79 per cent) agree that links between business and politics are too close in their country and may lead to corruption (in 2013, 81 per cent of European respondents had a similar opinion⁵).⁶

Focusing on the issue at hand, Lithuania was one of the first countries in Europe to establish lobbying regulation (the Law on Lobbying Activities was first adopted in 2001, a new version of the Law adopted in 2017). However, up until now⁷ it has managed to grasp only a small share of actual influence done. Currently, Lithuania's lobbying register has a list of only 107 registered lobbyists⁸ leaving most *de facto* lobbyists such as business associations, non-profit organisations off record because of a narrow definition of lobbying.

Aiming to better grasp what interest groups may affect decision making within the Parliament, in 2017 Transparency International Lithuania reviewed publicly available parliamentarians' agendas.⁹ TI Lithuania continued with the initiative, regularly reviewing agendas, sending personal emails to MPs with their results, as such **aiming for MPs to take on a habit of transparency, accountability and informed decision-making.**

Thus, this report will provide an overview of all the meetings with interest groups disclosed by the members of Parliament over the past three years, discussing how "soft measures" could also help better understand who participates in decision making processes in Lithuania.

⁴ OECD, www.oecd.org/gov/trust-in-government.htm

⁵ European Commission, Special Eurobarometer 397 (Brussels, European Commission, 2013), https://ec.europa.eu/commfrontoffice/publicopinion/archives/ebs/ebs_397_en.pdf

⁶ European Commission, Special Eurobarometer 470 (Brussels, European Commission, 2017), https://data.europa.eu/euodp/en/data/dataset/S2176_88_2_470_ENG

⁷ As of May 2020

⁸ As of June 2020

⁹ TI Lithuania, Publish whom you meet: an overview of MPs meetings, (Vilnius: TI Lithuania, 2017), https://www.transparency.lt/wp-content/uploads/2017/09/Seimo-nariu-susitikimai_2017.pdf

Methodology

The purpose of this report is to analyse how regularly published reviews of MPs working calendars, meetings with MPs and emails to them reminding to disclose their agendas could help diminish risks for political corruption and bring more transparency to decision-making processes in the Parliament.

In order to achieve its objectives, TI Lithuania:

- Analysed public agendas uploaded onto lrs.lt, manosusitikimai.lt and/or another official websites provided by the MPs;
- Counted how many meetings with **interest groups** each MP declared during the last six parliamentary sessions (from March 2017 to February 2020);
- Reviewed the format and content of the entries made (i.e. how much and what kind of information about the meetings MPs provide in their agendas);
- Counted how the meetings are declared by members of different political groups.¹⁰
- Sent personal emails to MPs and their assistants with the results of the analysis.

Description of data, data structure:

- Dataset containing MPs meetings as the unit of analysis. For each observation the following variables are available: host of the meeting (MP), political group, a number of terms in the parliament, meetings' categories (business, NGOs, etc.)

Key terms used in the study:

Interest group – a group of citizens and/or legal entities that attempt to influence political and/or administrative decision-making processes.

Meeting with an interest group – a meeting during which an attempt to participate in the decision-making process was possible. Since the clear aim of a meeting was at first rarely specified in the published agendas, **TI Lithuania made an assumption** that meetings with interest groups are meetings with: businesspeople, lobbyists, business companies, business associations, religious community representatives, non-governmental organizations, associations (including relief and charitable foundations), education representatives and other.

The following meetings were not included in the list:

- with public servants, diplomats, guests from foreign delegations and other politicians;
- meetings that were too abstract, for example, when only a name or an area, where an interest group is active, is provided (i.e., “meeting with bailiffs” or “meeting with sportspeople”, etc.);
- with voters or when politicians participate in events, exhibition openings, book presentations, conferences, etc.;
- that are published on social media accounts.

¹⁰ The number of meetings published by a political group is counted by summing up the meetings declared by individual members that belong to a political group at the time of the meeting. This means that if an MP changes political group, their number of meetings will be assigned to the newly joined political group. In 2018, one political group had its political group's agenda. Any meetings with interest groups were included in the overall count.

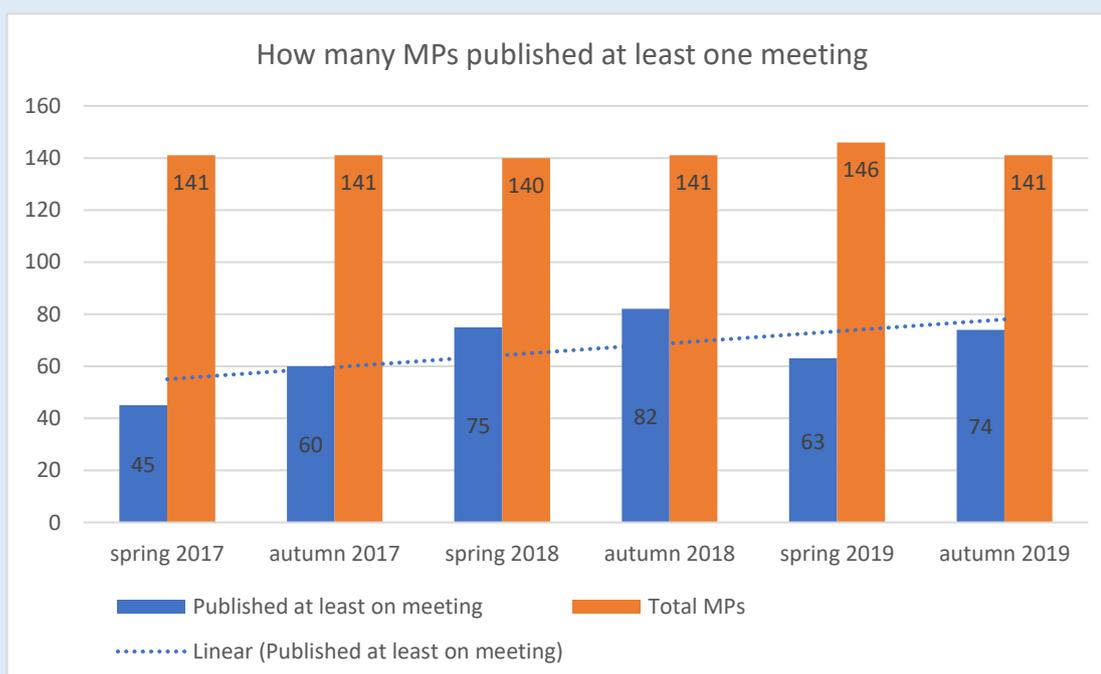
Wins and challenges (limitation of data)

As a result of TI Lithuania's initiative, at the end of 2018, **the Parliament opened data on MPs meetings** amongst others¹¹ in *xml* format becoming one of the most transparent Parliaments in the world.¹² However, while open data allows to see all MPs meetings in one place and compare overall number of interactions to the ones with interest groups (function available on ManoSeimas.lt online platform), the entries that parliamentarians make are mainly of free format and cannot be automatically categorised.

Last but not least, MPs in Lithuania are not obliged to disclose any kind of meetings, thus, the number of meetings relies on their own self-reporting. Based on media articles and a case study discussed further in this report, the assumption could be made that MPs tend to under-report.

Findings of data analysis

- **A number of MPs disclosing meetings with interest groups and registered lobbyists increased almost 1,5 times since 2017** (linear trendline¹³). **Overall 99 MPs out of 152 have published at least one meeting with interest groups.**¹⁴ **A third of MPs (53) have not declared any meetings so far.** Autumn 2018 was the most active parliamentary session when the most MPs declared the most meetings.



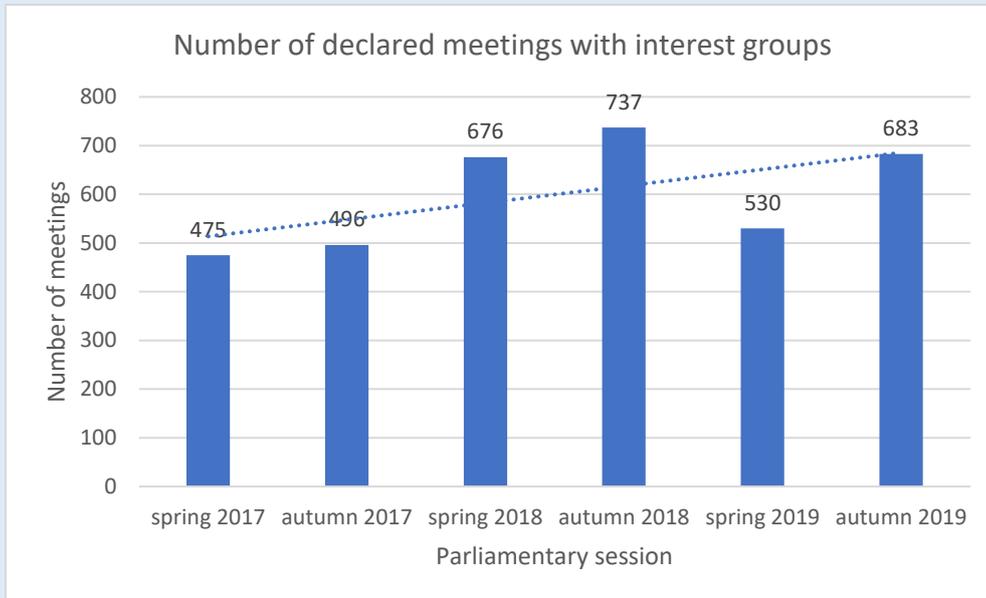
¹¹ In addition, the Parliament opened data about voting, suggestions to draft laws, press releases, committees, fractions etc.

¹² According to the inter-parliamentary union's World e-Parliament Report 2018, thirteen percent of the parliaments surveyed have some form of open data feed. Responses to the survey of parliaments were received from 114 parliamentary chambers in 85 countries. Inter-Parliamentary Union, *World E-Parliament Report 2018*, www.ipu.org/resources/publications/reports/2018-11/world-e-parliament-report-2018

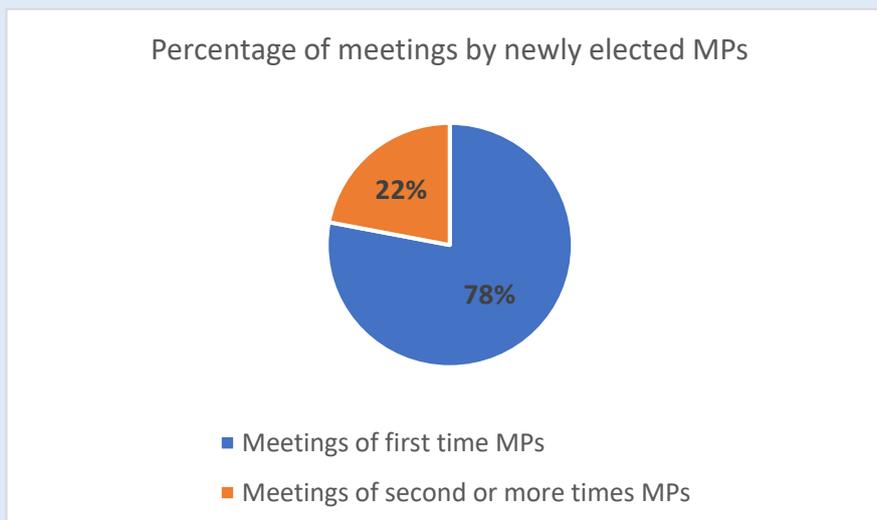
¹³ Linear trendline shows that over the number of MPs publishing their meetings increased over time despite have one recess session.

¹⁴ The Parliament of the Republic of Lithuania has overall 141 MPs, but due to various reasons (for example, municipal elections), overall 152 MPs had seats in the Parliament on different occasions during the past three years.

- The number of declared meetings increased over time** (linear trendline). From spring 2017 to autumn 2018, parliamentarians announced 1,5 times more meetings (45 per cent increase), while in spring 2019 the number of meetings diminished by one-fourth (28 per cent decrease).¹⁵ Overall, since spring 2017 MPs have published a **total of 3597 meetings** with interest groups and registered lobbyists. In comparison, the Command Security Department claims that approx. 35 thousand one-day permissions to enter the Parliament were provided in 2019 alone and approx. 40 thousand - for events in the Parliament.

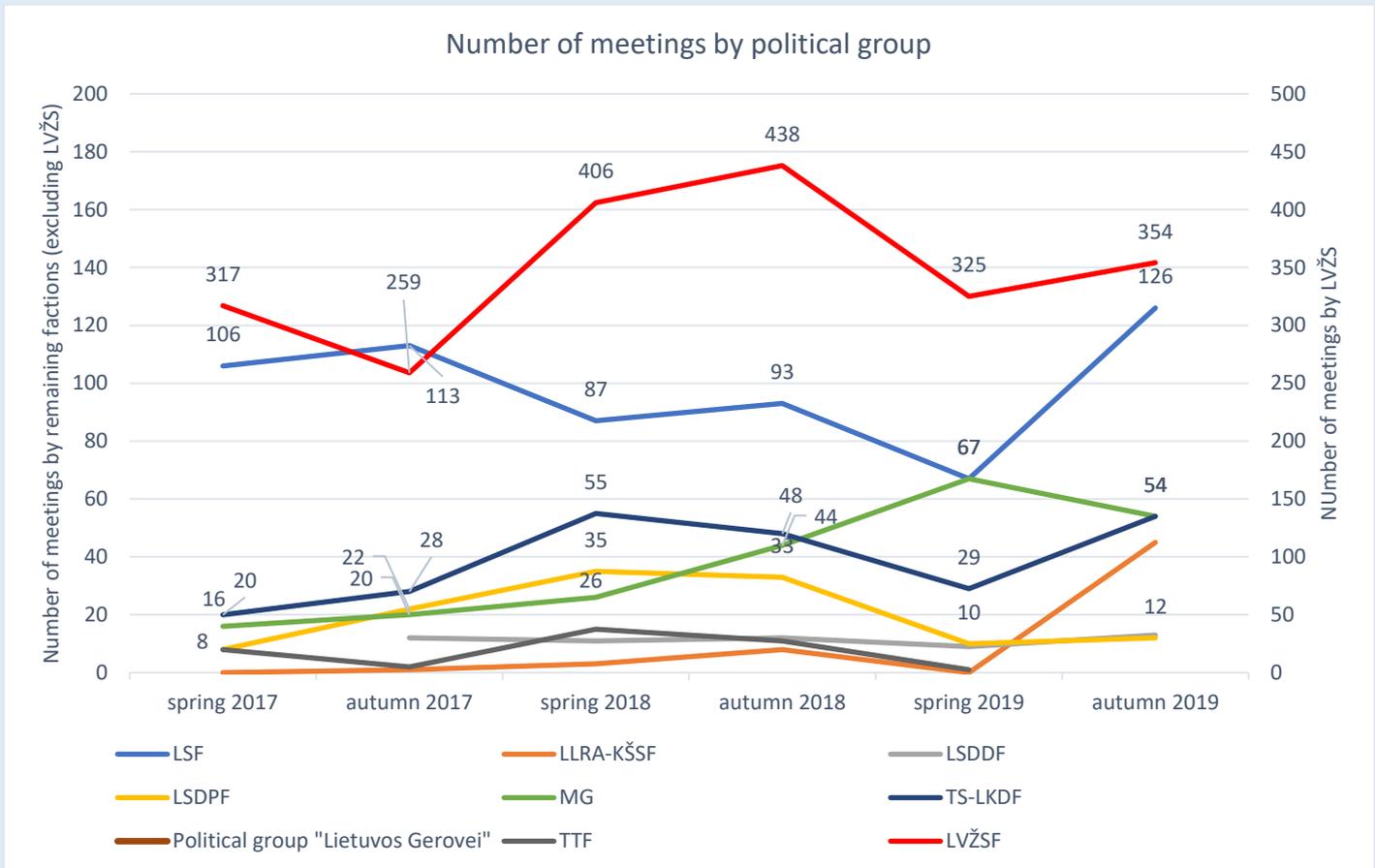


- Newly elected MPs** publish their meetings more actively. Over the past three years, **4 out of 5 meetings** were published by the parliamentarians who have been in the office for the first term.

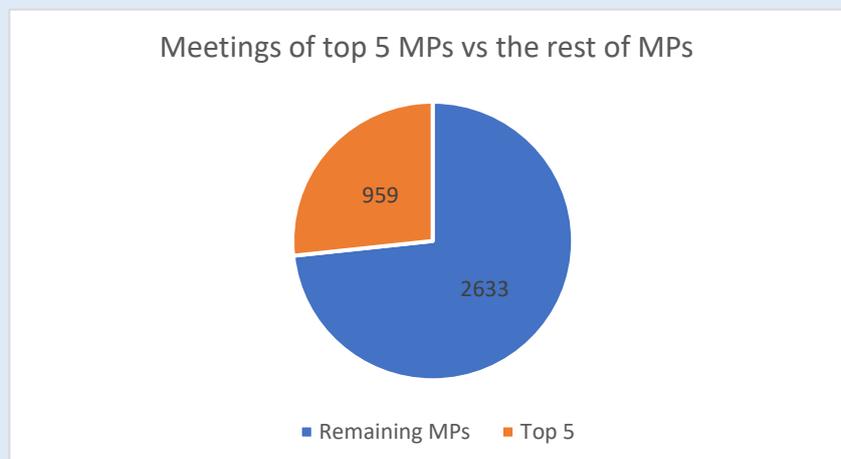


¹⁵ The drop in a number of meetings in spring 2019 could possibly be the cause of three elections happening during the mentioned period of time where also more than a dozen of MPs were running for municipal and presidential offices as well as for the seats in the European Parliament.

- **Almost 8 in 10 of all declared MPs meetings were published by Lithuanian Farmers and Greens Union (ruling political group) and Liberals Movement (opposition) political groups.** Members of those two political groups were also the most active during all six parliamentary sessions (a majority of its members declared at least one meeting with interest groups).

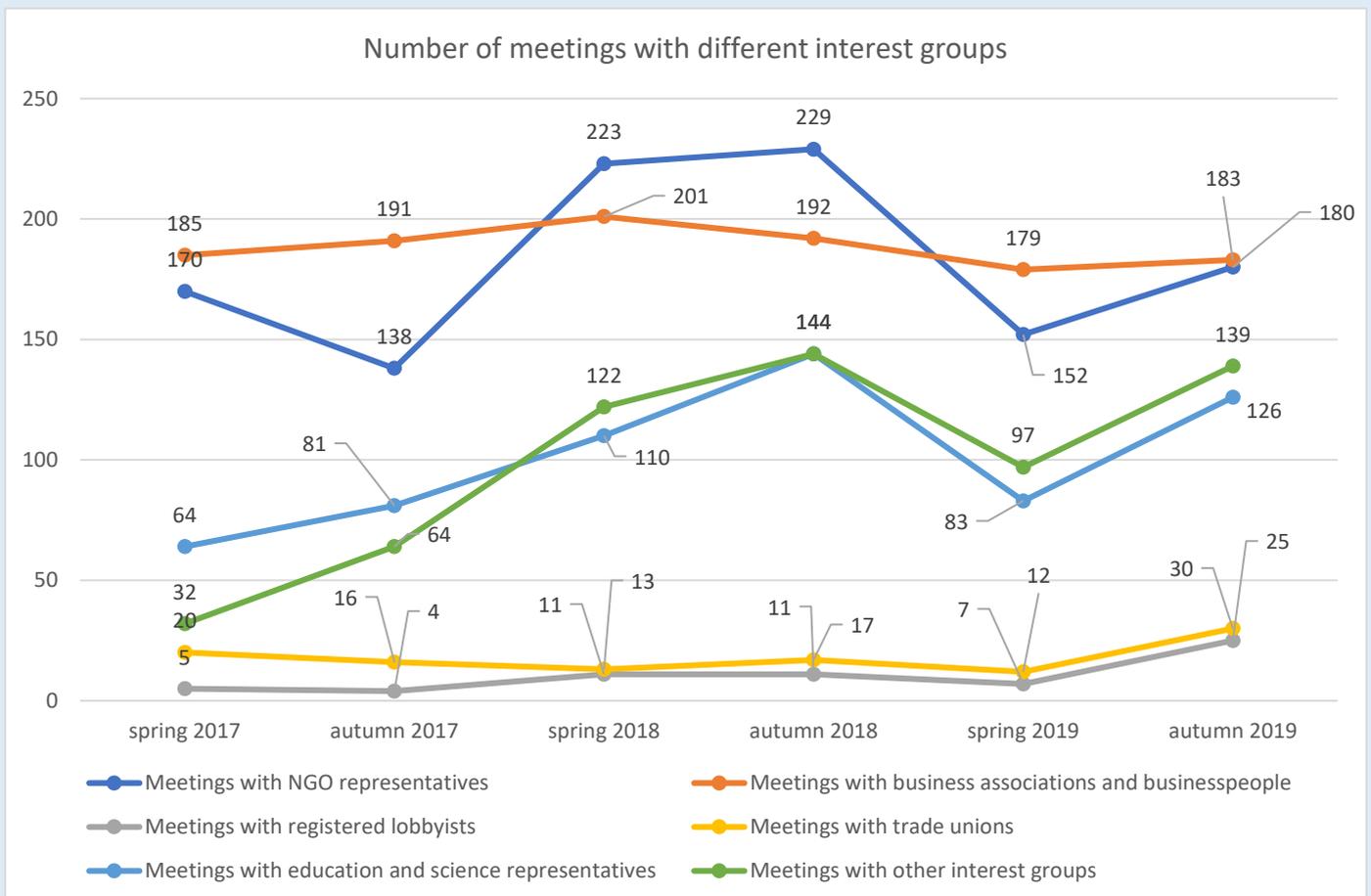


- **The 5 most active MPs declared one fourth of all meetings during the past three years.** The Chairman of the Parliament Viktoras Pranckietis and the Prime Minister Saulius Skvernelis, Lithuanian Farmers and Greens Union political group's members Virginija Vingrienė and Virginijus Sinkevičius¹⁶ as well as the Liberals Movement political group's member Simonas Gentvilas have published the greatest number of meetings during the past three years.



¹⁶ Virginijus Sinkevičius was elected to the Parliament in 2016. In 2017 he was appointed Minister of Economy of the Republic of Lithuania and following the reorganization of the Ministry of Economy he became Minister of the Economy and Innovation. On 1 December 2019, he Assumed office as European Commissioner for Environment, Oceans and Fisheries.

- **Most of the declared meetings were with “unregistered lobbyists”.**¹⁷ Over the past three years, the largest number of meetings was held with **business associations and businesspeople (1131)**, with the **NGO representatives (1092)**, and **science and education representatives (598)**. In comparison, there were **only 63 (1,8%) meetings with registered lobbyists**.
- The largest increase in a number of meetings was with education and science representatives as well as other interest groups’ representatives such as sports, law, and medicine. It also largely contributed to the overall increase in a number of meetings.



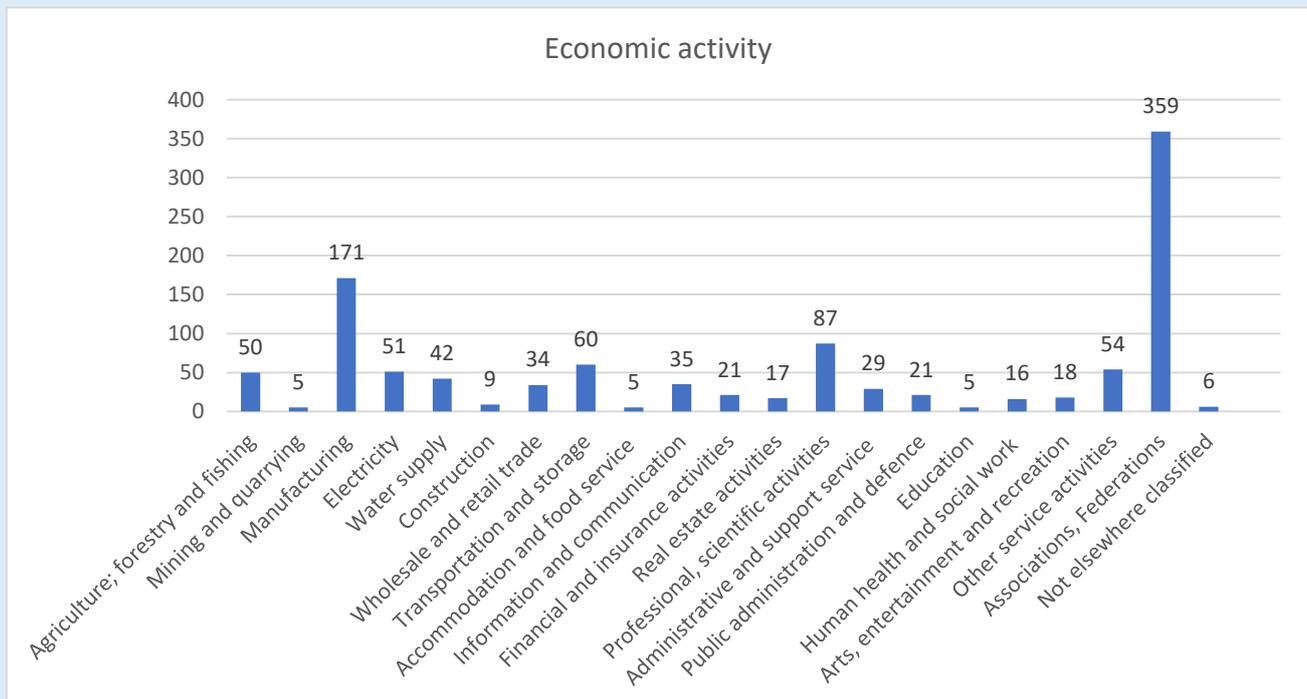
- **Business actors mostly rely on representation from business associations and federations (i.e. one-third of all meetings with businesses were with business associations and federations).**¹⁸ While trade and business associations are not classified as lobbyists in Lithuania, at the end of 2018 this group constituted one fifth of all registered lobbyists in the EU Transparency Register¹⁹.

¹⁷ A term “unregistered lobbyists” means that any interest groups that might be considered as trying to influence decision making processes, but are not amongst 106 registered lobbyists and do not fall under the Law on Lobbying Activities.

¹⁸ **Businesses are classified based on the International Standard Industrial Classification of All Economic Activities (ISIC)**, www.ilo.org/ilostat. Approximately 3% of meetings with businesses were excluded from the classification due to methodological changes over a span of three years.

¹⁹ European Parliament and European Commission, Annual Report on the operations of the Transparency Register 2018, <https://www.europarl.europa.eu/at-your-service/files/transparency/en-annual-report-on-the-operations-of-the-transparency-register-2018.pdf>

- **Most meetings were with business representatives, whose main economic activity was classified as 1) manufacturing; 2) professional, scientific, technical services; and 3) transportation and storage.** Based on the global law firm Eversheds report (2016) 89 per cent of board-level executives in the manufacturing sector have identified bribery or corruption in their organisation, indicating that manufacturing is among the riskier business sectors. At the same time, manufacturing, as well as professional, scientific, technical services are the largest contributors to non-financial business economy, manufacturing alone accounting for more than one quarter of the total (29,3 per cent) value added within the EU-27, which could be associated with the larger number of meetings taking place with businesspeople representing these sectors.²⁰



²⁰ Various data from the European Commission, https://ec.europa.eu/eurostat/statistics-explained/index.php/Manufacturing_statistics_-_NACE_Rev._2; https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Professional,_scientific_and_technical_activity_statistics_-_NACE_Rev._2#Structural_profile; <https://ec.europa.eu/info/sites/info/files/2017-european-semester-country-report-lithuania-en.pdf>

Identifying the grey area of lobbying in Lithuania

A so called grey area of lobbying in Lithuania arises from the way lobbying is undertaken, the nature of lobbying activity and the context in which possible lobbying attempts are made such as enforcement of a too narrow lobbying regulation where only physical persons but not legal entities can register as lobbyists.

For example, the Lithuanian Map of Corruption (2018) by Special Investigation Services and the survey of Lithuanian businessmen (2014) by TI Lithuania showed that more than a half of surveyed business representatives thought that exercising influence was an integral part of any business. According to them, the most active were registered lobbyists, various companies and associations, and the influence was exerted through connections, informal meetings, and financial compensation.²¹

Looking at how this manifests in practice, TI Lithuania reviewed a few cases based on the investigations carried out by the Chief Official Ethics Commission (COEC)²² whose one of the main objectives is to ensure that persons exerted influence to legislation in a transparent manner:

- (1) In 2019 COEC stated that an attorney-at-law violated the Law on Lobbying by representing the Association of Investors in a meeting of the Health Committee of Seimas where she was speaking on amendments to the Law on Health Insurance without registering as a lobbyist. In her own defence, the attorney-at-law said she did not act as a lobbyist and that was the reason she did not disclose it.
- (2) Another case was brought up by the COEC²³ in August 2019 regarding the President of the Lithuanian Brewers' Guild, and the company leaders of "Baltic Ground Services", "Naftelf" and "Rikneda". COEC decided that they all engaged in illegal lobbying activities (such as proposing legislation changes), without registering as lobbyists.
- (3) One more case that illustrates a possibly illicit and corrupt lobbying is the one of MG Baltic, a business holding which owns a major TV channel (LNK), several news portals and which executives now fights corruption charges in court.²⁴ The authorities suspect that one of the MG Baltic executives tried to secure decisions through Eligijus Masiulis, the-then Liberals' leader, and Vytautas Gapšys, the deputy chairman of the Labour Party that would profit the company from the adoption of the bill on consumer loan. Allegedly, **a businessman aimed to influence politicians** in connection to some key appointments as well. The whole situation came into light in spring 2016, when Eligijus Masiulis, the chairman of the LS, was found with over 100,000 euros in cash, allegedly paid by one of the MG Baltic executives.²⁵ In regards to this case, some other politicians including a current MP, were questioned that admitted to have had meetings with the business representatives, however, none of them seemed to have publicly declared it.

These 3 cases highlight the importance of lobbying transparency, especially at the Parliamentary level. A transparent record of all meetings contributes to mitigating corruption risks and conflicts of interest, holds MPs and businesses accountable in their responsibility to make fair and transparent decisions, and helps bring corruption related cases into daylight.

²¹ The Infographic by TI Lithuania (2019) <https://bit.ly/30z8Pru>

²² The Chief Official Ethics Commission (the 'COEC' or the 'Commission') is a collegial authority set up by the Seimas of the Republic of Lithuania and is accountable to it. The COEC, within the competence assigned to it by law, exercises supervision of persons employed in the civil service and persons carrying out lobbying activities as well as the prevention of their corruption (www.vtek.lt)

²³ Vtek.lt. 2019. 2019-08-21 Posėdyje VTEK Nusprendė. [online] Available at: <<https://www.vtek.lt/index.php/posedziu-informacija/635-2019-08-21-posedyje-vtek-nusprende>>

²⁴ BNS, Lithuanian authorities mull expanding lobbyist list to NGOs and legal persons, 2018, <https://bnn-news.com/lithuanian-authorities-mull-expanding-lobbyist-list-to-ngos-and-legal-persons-188519>

²⁵ BNS, Major political corruption case reaches court in Lithuania, 2018, <https://bnn-news.com/major-political-corruption-case-reaches-court-in-lithuania-183544>

(4) In spring 2020, a journalists found that metadata of one of the legislative proposals officially registered by one of the MPs indicated lawyer's name. The Special Investigation Services criticised the proposal saying that it could open the doors to unlawful enrichment. While the matter was settled, saying that an old online document was used from the working group to prepare the proposal by MP, it once again pointed to a so called grey area of lobbying transparency and lack of data regarding interest groups that try to influence legislative processes.²⁶

Taking those cases into account, TI Lithuania maintains that the disclosure requirements should fall not only under the individuals and/or legal entities that try to influence decision making processes, but it should also be the responsibility of the decision-makers **that are being influenced**. Previously examined data from the past three years shows that in general more MPs feel comfortable disclosing their meetings with various interest groups including registered lobbyists (the number of MPs who declared their meetings with registered lobbyists increased 5 times from 3 to 14 since spring 2017), yet many politicians still have been reluctant to make efforts to declare their meetings in the country. In addition, incomplete voluntary disclosure of meetings by the parliamentarians does not capture all the significant encounters with interest groups leaving a part of lobbying attempts in the grey area.

²⁶ 15min.lt, 2020, <https://www.15min.lt/verslas/naujiena/kvadratinis-metras/nekilnojamosis-turtas/prie-statytojams-palankiu-istatymo-pataisu-galejo-prisideti-ne-tik-seimo-nariai-bet-ir-statybu-advokate-973-1298464>

Conclusions

To sum up, interest groups shall have the right to participate in decision-making processes, and as such help politicians to make informed and calculated decisions. At the same time, it is important to ensure that it is a transparent process and coherent legislative footprint exists allowing to know who has contributed to the development of legislation. While introducing Laws on Lobbying Activities might be a good starting point, Lithuania's example shows that the legislation itself does not necessarily ensure open and transparent lobbying activities. In order to address this issue, soft measures should also be taken into account. TI Lithuania's initiative of reviewing MPs agendas and regularly publishing information about parliamentarians' meetings with interest groups contributed to more transparency and clearer decision-making processes in the Parliament. One year ago, the Seimas introduced working calendars for each MP and also opened up a majority of Parliaments' information in open data format²⁷. In addition, MPs and political groups started competing who is the most active MP or political group and holds the most meetings with interest groups and registered lobbyists. Last but not least, MPs started disclosing their meetings in more detail, for example, declaring a subject of the meeting and who initiated the meeting.

²⁷ https://www.lrs.lt/sip/portal.show?p_r=35391&p_k=1



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