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Country Report - LITHUANIA  
Accompanying the document  
Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions  
Environmental Implementation Review 2022: ***Turning the tide through environmental compliance***

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Delegations will find attached document SWD(2022) 266 final.

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Country Report - LITHUANIA**

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**Environmental Implementation Review 2022: *Turning the tide through environmental  
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## Executive summary

In previous Environmental Implementation Reviews (EIRs), the main challenges identified for Lithuania for the implementation of EU environmental policy and law were:

- the risk that growing municipal waste incineration capacities and low landfill tax could undermine progress with recycling;
- low resource productivity;
- incomplete designation of Natura 2000 sites to protect threatened species and habitats.

Though Lithuania had already met the 2020 municipal recycling targets in 2018, it slid back for 2 years in a row and missed the target in 2020. Nevertheless, remarkable progress with **waste management** should be noted over the last decade. However, the circularity of the Lithuanian economy is still almost three times below the EU average. If properly designed and implemented, the national **circular economy action plan** to be adopted by 2023 could help Lithuania bring about the necessary systemic change and create a fertile business environment for circular economy practices.

The protection of **biodiversity** requires greater efforts and investments since two thirds of the EU protected habitats in Lithuania have an unfavourable conservation status due to pressures from forestry, agriculture, and invasive alien species. Lithuania must still complete the **Natura 2000** designation process and put in place clearly defined site specific conservation objectives and necessary conservation measures for all the sites. The Recovery and Resilience Plan (RRP) will contribute by restoring 8000 ha of degraded peatlands which represents a good starting point for wider restoration efforts.

On sustainable **water management**, Lithuania demonstrates very high compliance with the Drinking

Water Directive and the Urban Waste Water Treatment Directive except for issues relating to the use of individual and other appropriate systems across the country. Groundwater quality is good but only half of all surface water bodies achieve good ecological status. There are high levels of eutrophication in rivers and a very acute **eutrophication** problem affecting 97% of the Baltic Sea which is a problem shared with neighbouring countries. An extremely high proportion of waters in the region are assessed as having less than good eutrophication status.

**EU funding** is expected to contribute significantly to implementing EU standards. Lithuania is due to receive over EUR 2.2 billion from its RRP (2021-26) and close to EUR 6 billion from the cohesion policy (2021-27). Part of this funding will be channelled into supporting Lithuania's annual environmental investment needs, which are estimated to amount to at least 1.68% of the country's GDP, signalling a potential financing gap of over 0.5% of GDP.

Even with the forthcoming increase in 2023 Lithuania's landfill tax remains among the lowest in the EU while allocations for fossil fuel subsidies are above the EU average. At the same time, an environmental investment gap of around 0.8% of GDP must be addressed by focusing on the country's three main **environmental implementation priorities**: improvement of circularity of Lithuanian economy, protection and restoration of its nature and reduction of pollution.

## Part I: Thematic Areas

### 1. Circular Economy and waste management

#### Measures towards a circular economy

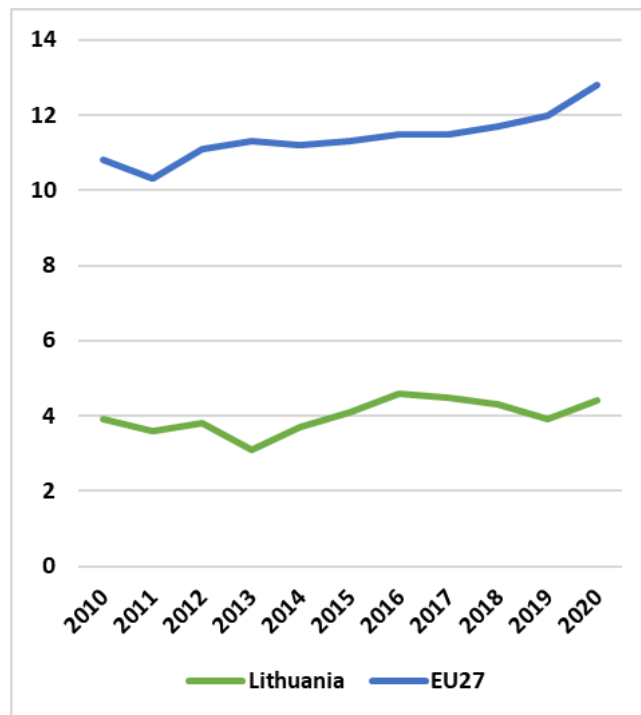
The new Circular Economy Action Plan adopted in March 2020 is one of the main building blocks of the European Green Deal. The EU's transition to a circular economy will reduce pressure on natural resources and will create sustainable growth and jobs. It is also a prerequisite to achieve the EU's 2050 climate neutrality target and to halt biodiversity loss. The Action Plan announces initiatives along the entire life cycle of products, aiming to reduce the EU's consumption footprint and to double the EU's circular material use rate by 2030. It targets how products are designed, promotes circular economy processes, encourages sustainable consumption, and aims to ensure that waste is prevented and the resources used are kept in the EU economy for as long as possible.

While Lithuania has made significant progress in its waste management system, a lot remains to be done for the circularity of its economy.

The circular material use rate is a good indicator of an economy's circularity, as it includes all the materials that are fed back into the economy. Large differences in the circularity rate exist between countries. To help achieve the goal in the EU Circular economy action plan of doubling the EU's circular material use rate by 2030, ambitious measures targeting the whole product life cycle are needed at Member State level. Such measures range from sustainable product design that makes it possible to increase the durability, reparability, upgradability and recyclability of products, to other measures like: (i) remanufacturing<sup>1</sup>; (ii) increasing circularity in production processes; (iii) recycling; (iv) boosting eco-innovation; and (v) increasing the uptake of green public procurement.

As shown in Figure 1, Lithuania's circular (secondary) use of material has stayed close to 4% since 2010, but saw a slightly stronger upward trend in 2020 to 4.4%<sup>2</sup>. However, it remains almost three times lower than the EU average of 12.8% in 2020

Figure 1: Circular material use rate (%), 2010-2020<sup>3</sup>

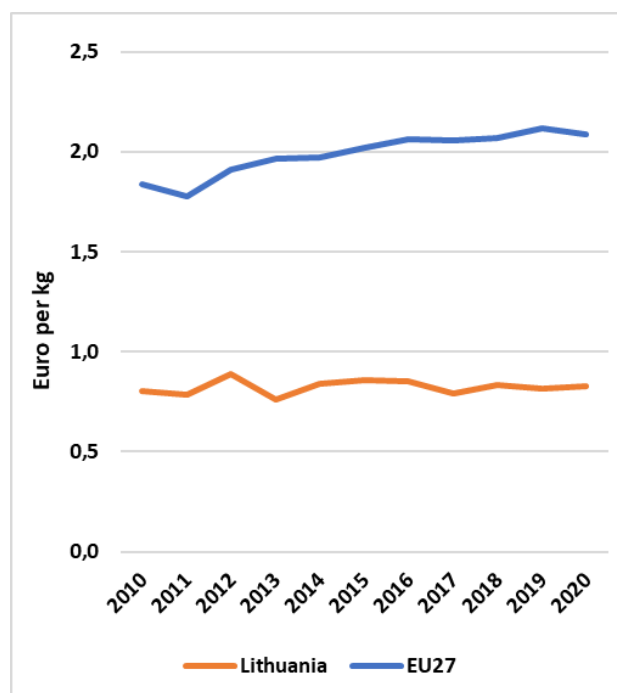


Resource productivity expresses how efficiently the economy uses material resources to produce wealth. Improving resource productivity can help to minimise negative impacts on the environment and reduce dependency on volatile raw material markets. As shown in figure 2, with EUR 0.83 generated per kg of material consumed in 2020, resource productivity in Lithuania is well below the EU average of EUR 2.09 per kg.

<sup>1</sup> Rebuilding of a product to specifications of the original manufactured product using a combination of reused, repaired and new parts

<sup>2</sup> Eurostat estimate

<sup>3</sup> Eurostat, [Circular Economy Monitoring Framework](#).

Figure 2: Resource productivity 2010-2020<sup>4</sup>

### Circular economy strategies

The Commission encourages Member States to adopt and implement national/regional circular economy strategies covering the whole life cycle of products. This is because such strategies are one of the most effective ways to progress towards a more circular economy at Member State level. Since the launch of the European Circular Economy Stakeholder Platform in 2017<sup>5</sup>, national, regional and local authorities have used the platform to share their strategies and roadmaps.

As of 2021, there is no national strategy or action plan on the circular economy in Lithuania. At the same time, circular economy related goals and targets can be found in the: National Sustainable Development Strategy, National Environmental Protection Strategy, Strategy for the National Climate Change Management Policy by 2050, and the National Waste Prevention Programme.

Moreover, Lithuania is working to improve circularity in textiles, including through meetings with interested parties, awareness raising for society, promotion of re-use, support for re-use and repair networks, provision of containers for textile waste separate collection and binary payments. Textiles waste prevention is also obligatory through the National Waste Prevention Programme.

Lithuania has prepared a “Roadmap for Lithuania’s industrial transition to a circular economy” as a European Commission/DG REGIO pilot project.

In its Recovery and Resilience Plan, Lithuania has included a reform on the adoption of a national circular economy plan by the first quarter of 2023. The plan will focus on waste prevention, recycling, product design and use of secondary raw materials, digitalisation, the promotion of green innovation as well as legal and fiscal measures promoting long term circular solutions.

### Eco-innovation

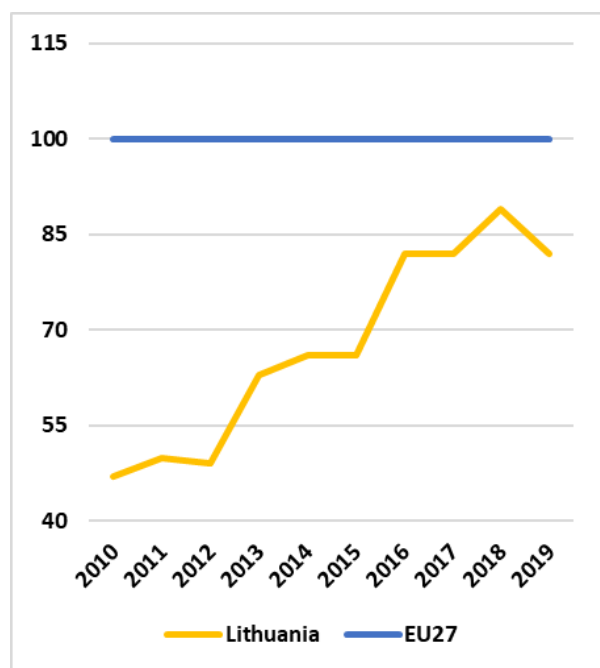
A successful transition to a circular economy requires social and technological innovation. This is because full potential of circular economy can only be reached when it is implemented across all value chains. Eco-innovation is an important enabling factor for the circular economy. New approaches to product design and new business models can help to produce circularity innovations, creating new business opportunities.

Lithuania ranked 20th on the 2021 Eco-Innovation Index, with a total score of 88, which indicates the country has some ground to make up on eco-innovation. On all five indicators in the 2021 Eco-innovation Index (eco-innovation inputs, activities and outputs, resource efficiency outcomes and socio-economic outputs), Lithuania performed below the EU average.

<sup>4</sup> Eurostat, [Resource productivity](#)

<sup>5</sup> [Circular Economy Stakeholder Platform](#)

Figure 3: Eco-innovation performance, 2010-2019<sup>6</sup>



### Green public procurement

Public procurement accounts for a large proportion of European consumption, with public authorities' purchasing power representing 14% of EU GDP. Public procurement can help drive the demand for sustainable products that meet reparability and recyclability standards. To date reporting to monitor the uptake of green public procurement (GPP) is voluntary.

The Lithuanian national progress plan<sup>7</sup> (adopted on 9 September 2020) stipulated that, as an intermediate target, GPP should account for 50% by value of all procurements in 2025, with 55% by 2030 as the final target. The government programme<sup>8</sup> sets even more ambitious goals for GPP to become the dominant type of public procurement in the public sector as of 2023. Environmental criteria have been laid down for 32 product groups. The definition of GPP now includes not only mandatory minimum GPP criteria, but also refers to eco-labels, environmental management systems or standards, and other environmental criteria. In cases where environmental criteria are not set, the contracting authority can set them independently

<sup>6</sup> European Commission - Directorate-General for Environment (DG ENV), Eco-innovation Observatory, [Eco-innovation index](https://ec.europa.eu/easmas/).

<sup>7</sup> <https://e-seimas.lrs.lt/portal/legalAct/lt/TAD/c1259440f7dd11eab72ddb4a109da1b5/asr>

<sup>8</sup> <https://e-seimas.lrs.lt/portal/legalAct/lt/TAD/973c87403bc311eb8c97e01ffe050e1c>

according to established principles. GPP is monitored and statistical data collected by the Public Procurement Office (PPO). The data are published online on the public procurement scoreboard<sup>9</sup>. All contracting authorities must report on their green procurement procedures to the PPO. In addition, there are annual progress reports on green public procurement. In order to facilitate the development of GPP, the PPO has established a Sustainable Procurement Unit that provides contracting authorities, contracting entities and suppliers with consultations and training on green, socially responsible and innovative procurements. Increasing GPP's share in total public procurement is one of the measures in the Lithuanian recovery and resilience plan.

### EU ecolabel and the eco-management and audit scheme (EMAS)

The number of EU ecolabel products and EMAS-licensed<sup>10</sup> organisations in a country provides some indication of how actively engaged its private sector and national stakeholders are in the transition to a circular economy. It also shows how committed public authorities are to supporting instruments designed to promote the circular economy.

As of September 2021, Lithuania had 474 products out of 83 590, and 10 licenses out of 2 057 registered in the EU ecolabel scheme, showing a rather low take-up of products and licences<sup>11</sup>. Moreover, five organisations, spread over 18 sites in Lithuania are currently registered in EMAS, the European Commission's eco-management and audit scheme<sup>12</sup>. Since 2019, there have been 279 new product registrations for an EU ecolabel, as well as one new organisation registered with EMAS, while the number of EU ecolabel licences has remained the same.

Given that the circular material use rate is far below EU average, a priority action on this is proposed.

### 2022 priority action

- Take measures to improve the circular material use rate.

<sup>9</sup> <https://vpt.lrv.lt/lt/statistika-ir-analize/pirkimu-vykdytoju-zemelapis-svieslente-1>

<sup>10</sup> EMAS is the European Commission's Eco-Management and Audit Scheme, a programme to encourage organisations to behave in a more environmentally sustainable way.

<sup>11</sup> European Commission, [Ecolabel Facts and Figures](https://ec.europa.eu/easmas/).

<sup>12</sup> As of May 2018. European Commission, [Eco-Management and Audit Scheme](https://ec.europa.eu/easmas/).

## Waste management

Turning waste into a resource is supported by:

(i) fully implementing EU waste legislation, which includes the waste hierarchy, the need to ensure separate collection of waste, the landfill diversion targets, etc.;

(ii) reducing and waste generation per capita in absolute terms;

(iii) limiting energy recovery to non-recyclable waste and phasing out the landfilling of recoverable waste.

This section focuses on the management of municipal waste<sup>13</sup> for which EU law sets mandatory recycling targets.

Preventing products and materials from becoming waste for as long as possible is the most efficient way to improve resource efficiency and to reduce the environmental impact of waste. Waste prevention and re-use are the preferred options and are therefore at the top of the waste hierarchy. The amount of municipal waste generated is a good indicator for the effectiveness of waste prevention measures.

Municipal waste generation in Lithuania is growing. It reached 481 kg per year per inhabitant in 2020, although was still below the EU average of 502 kg/year/inhabitant, as Figure 4 shows. Since waste generated has increased by 20% in the last decade, it indicates that Lithuania's economic growth is not yet decoupled from its generation of waste.

Figure 4: Municipal waste by treatment in Lithuania, 2010-2020<sup>14</sup>

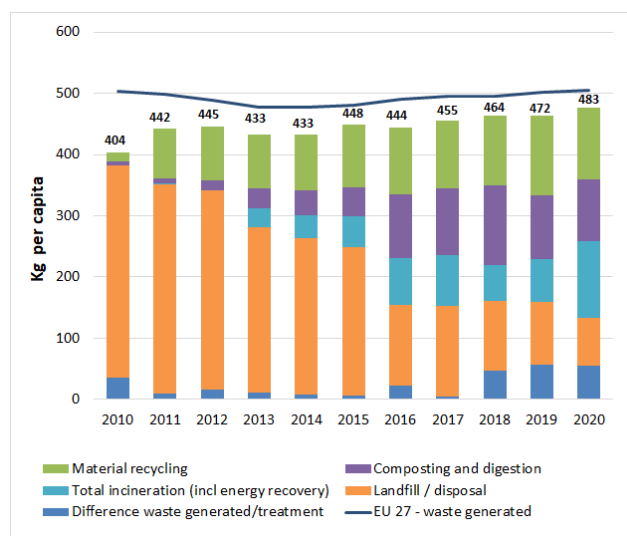


Figure 4 also shows municipal waste by treatment, in terms of kilos per capita.

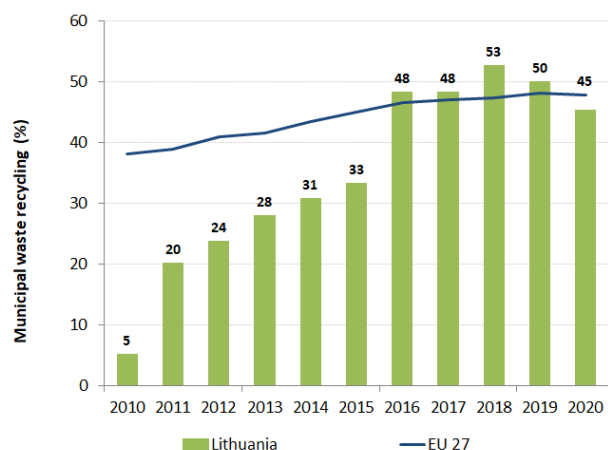
Lithuania reduced its landfilling rate threefold in the last decade, down to 22 % in 2019 and now sends less municipal waste to landfill than the EU average (24 %). However, it is some distance away from the target of 10% by 2030. Recycling and composting are the main treatment options. The share of material recycling shows a steady increase and has reached 28% approaching the EU average of 30%. Composting has decreased since 2017 to 22 %, and Lithuania is now only still slightly above the EU average of around 21 %. The reduction in landfill has been achieved in part by increasing incineration with energy recovery capacity (the second least favourable option for waste treatment), now used for close to 15 % (still below the EU average of 24 %). Possibly this will increase in the future as new incineration facilities in Kaunas and Vilnius have started operating. Around half of municipal waste is treated at mechanical-biological treatment plants and afterwards mostly incinerated or sent to landfill as the quality of the waste, even after treatment, is too low for secondary use.

As shown in Figure 5, the recycling rate for municipal waste showed a steady increase up to 2018, but fell back to 45 % and in 2020 was again below the EU average of 47.8%.

<sup>13</sup> Municipal waste consists of (a) mixed waste and separately collected waste from households, including paper and cardboard, glass, metals, plastics, bio-waste, wood, textiles, packaging, waste electrical and electronic equipment, waste batteries and accumulators, and bulky waste, including mattresses and furniture; and (b) mixed waste and separately collected waste from other sources, where such waste is similar in nature and composition to waste from households. ([Directive 2008/98/EC](#), Article 3 (2b).

<sup>14</sup> Eurostat, [Municipal waste by waste operation](#), april 2022.

**Figure 5: Recycling rate of municipal waste, 2010-2020<sup>15</sup>**



The Commission's 2018 early warning report did not list Lithuania as one of the countries at risk of missing the EU 2020 target of recycling 50 % of municipal waste. The Commission is currently finalising its analysis of progress in response to the 2018 early warning report recommendations as well as an analysis of progress towards achieving the 2025 waste recycling targets. This report will be presented at the end of 2022 and will make recommendations as appropriate<sup>16</sup>.

### Implementation of the 2018 waste legislative package

Member States had until 5<sup>th</sup> July 2020 to bring their national laws into line with the amended Waste Framework Directive, Packaging and Packaging Waste Directive and Landfill Directive<sup>17</sup>. Lithuania was late in doing thus for the first two Directives, but, in August 2021, it notified the Commission that the 2018 Waste legislative package had been fully implemented in national law. A compliance assessment is ongoing.

Waste management plans and waste prevention programmes form part of this implementation. They set out key provisions and investments to ensure compliance with existing and new legal requirements (e.g., waste prevention, separate collection for several specific waste streams, recycling and landfill targets). Revised plans and programmes were due on 5 July 2020.

Although Lithuania's waste management plan for 2021-2027 was drafted and revised after the public consultation, it has not yet been approved by the

<sup>15</sup> Eurostat, [Recycling rate of municipal rate](#), april 2022.

<sup>17</sup> [Directive \(EU\) 2018/851](#), [Directive \(EU\) 2018/852](#), [Directive \(EU\) 2018/850](#) and [Directive \(EU\) 2018/849](#) amend the previous waste legislation and set more ambitious recycling targets for the period up to 2035.

Lithuanian government and Lithuania has not yet notified the Commission that it is in place<sup>18</sup>.

In November 2021, the Lithuanian government approved an increase in landfill tax to EUR 50 per ton as of 2023, up from EUR 15/t, one of the lowest rates in the EU.

Lithuania has not ratified the Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships.

### 2022 priority actions

- Introduce new policies, including economic instruments, to promote prevention and make the re-use and recycling more economically attractive.
- Develop and run implementation support programmes for municipalities to help support their efforts to organise separate collection and further improve recycling performance.
- Improve the functioning of extended producer responsibility systems, in line with the general minimum requirements established in the Waste Framework Directive.
- Ensure that a waste management plan in line with the revised Waste Framework Directive is in place.

<sup>18</sup> May 2022.

## 2. Biodiversity and natural capital

The 2030 EU biodiversity strategy adopted in May 2020 aims to put the EU's biodiversity on a path to recovery and sets out new targets and governance mechanisms to achieve healthy and resilient ecosystems.

In particular, the strategy sets out ambitious targets to: (i) protect a minimum of 30% of the EU's land area and 30% of its sea area and integrate ecological corridors, as part of a true trans-European nature network; (ii) strictly protect at least a third of the EU's protected areas, including all remaining EU primary and old-growth forests; (iii) effectively manage all protected areas, defining clear conservation objectives and measures, and monitoring them appropriately.

The strategy also sets out an EU nature restoration plan – a series of concrete commitments and actions to restore degraded ecosystems across the EU by 2030, and manage them sustainably, addressing the key drivers of biodiversity loss.

The EU's Habitats and the Birds Directives<sup>19</sup> are key legislative tools to deliver on the targets in the EU's biodiversity strategy for 2030 and are the cornerstone of European legislation aimed at conserving the EU's wildlife<sup>20</sup>.

In April 2015, the Lithuanian Parliament approved the national environmental protection strategy<sup>21</sup>, which aims to identify priority environmental policy areas, long-term objectives up to 2030 and Lithuania's vision for the environment by 2050. The long-term objective for nature and biodiversity referred to in the strategy relates to the establishment of protected areas: the aim is for national protected areas and Natura 2000 sites to make up 17 % of land area and 10% of the country's marine area.

### Nature protection and restoration

The EU Habitats and the Birds Directives, which are to be bolstered by the Nature Restoration Law, are the cornerstone of EU legislation aimed at conserving the EU's wildlife, natural habitats and ecosystems. They are

crucial to delivering on the targets in the EU biodiversity strategy for 2030<sup>22</sup>.

Natura 2000<sup>23</sup>, the largest coordinated network of protected areas in the world, is the key instrument to achieve the objectives in the Birds and Habitats Directives. These objectives are: (i) 'to ensure the long-term protection, conservation and survival of Europe's most valuable and threatened species and habitats and (ii) to maintain or restore the favourable conservation status of these species and habitats. Key milestones towards meeting the objectives of the Birds and Habitats Directives are: (i) the setting up of a coherent Natura 2000 network; (ii) the designation of sites of Community importance (SCIs) as special areas of conservation (SACs)<sup>24</sup>; and (iii) the setting of conservation objectives and measures for the Natura 2000 sites.

### Setting up a coherent network of Natura 2000 sites

Lithuania hosts 54 habitat types<sup>25</sup> and 98 species<sup>26</sup> covered by the Habitats Directive. The country also hosts populations of 83 bird taxa listed in the Birds Directive Annex I<sup>27</sup>.

As shown in the Figure 7, by 2021, 12.6% of Lithuania's territory was covered by Natura 2000 (EU average 18.5%), with SPAs classified under the Birds Directive covering 8.5% (EU average 12.8%) and SCIs under the Habitats Directive covering 10% (EU average 14.2%) of Lithuania.

<sup>22</sup> [https://ec.europa.eu/environment/strategy/biodiversity-strategy-2030\\_en](https://ec.europa.eu/environment/strategy/biodiversity-strategy-2030_en)

<sup>23</sup> Natura 2000 comprises sites of Community importance (SCIs) designated pursuant to the Habitats Directive as well as special protection areas (SPAs) classified pursuant to the Birds Directive; figures of coverage do not add up due to the fact that some SCIs and SPAs overlap. Special areas of conservation (SACs) are SCIs designated by Member States.

<sup>24</sup> Sites of Community importance (SCIs) are designated pursuant to the Habitats Directive whereas special protection areas (SPAs) are designated pursuant to the Birds Directive; figures of coverage do not add up since some SCIs and SPAs overlap. Special areas of conservation (SACs) are SCIs designated by the Member States.

<sup>25</sup> [EEA, Article 17 dashboard, Annex I total, 2019.](#)

<sup>26</sup> [EEA, Article 17 dashboard, Annex II + Annex IV excluding those in Annex II + Annex V excluding those in Annex II, 2019. This counting only takes into account species and habitats for which assessment of conservation status was requested.](#)

<sup>27</sup> [EEA, Article 12 dashboard, Annex I, 2020. This counting only takes into account birds taxa for which information was requested.](#)

<sup>19</sup> Council Directive 92/43/EEC and Directive 2009/147/EC

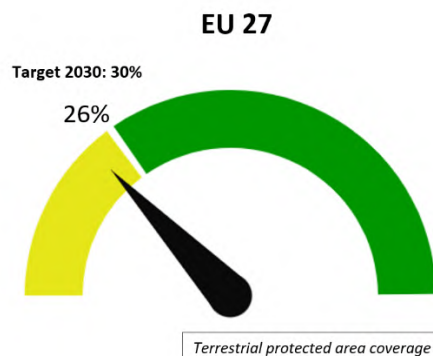
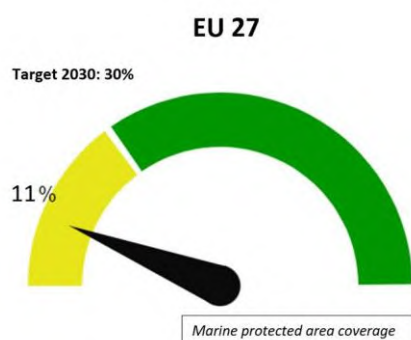
<sup>20</sup> These should be reinforced by the Nature Restoration Law, according to the EU Biodiversity Strategy for 2030.

<sup>21</sup> <http://extwprlegs1.fao.org/docs/pdf/lit163665.pdf>

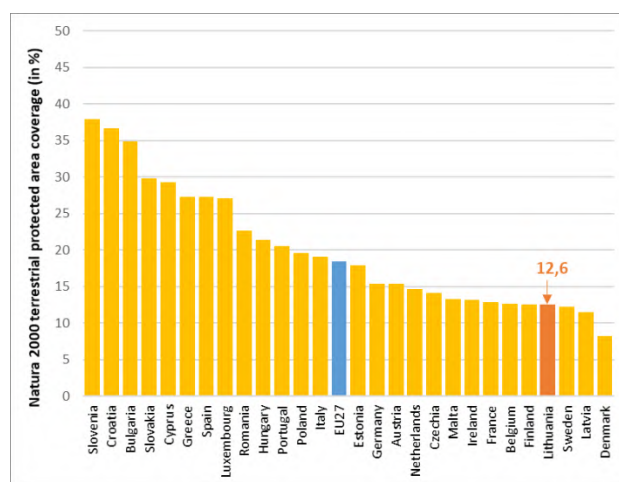
The latest assessment of the SCI part of the Natura 2000 network reveals that there are insufficiencies in designation. To address these gaps the Commission took legal action in May 2018 when it sent to Lithuania a letter of formal notice in accordance with Article 258 of the Treaty on the Functioning of the European Union. Since then, Lithuania designated a number of new sites and committed to finalise the designation process by the end of 2022. The Commission closely monitors the progress made towards compliance.

Taking account of both Natura 2000 and other nationally designated protected areas, Lithuania legally protects 18,2% of its terrestrial areas (compared with the EU-27 average 26.4%) and 24.1% of marine areas (EU-27 average 10,7%).<sup>28</sup> Figure 6 shows the 2021 situation at EU level for terrestrial and marine protected area coverage in meeting the biodiversity strategy 2030 target.

**Figure 6: Marine & terrestrial protected area coverage, 2021<sup>29</sup>**



**Figure 7: Natura 2000 terrestrial protected area coverage, 2021<sup>30</sup>**



### Designating special areas of conservation (SACs) and setting conservation objectives and measures

The 6-year deadline set by the Habitats Directive to for designating SCIs as SACs, and establishing appropriate conservation objectives and measures, has expired for 406 sites in Lithuania.

Nevertheless, 243 SCIs have not yet been designated as SACs. In addition, Lithuania has failed to set sufficiently detailed and quantified site-specific conservation objectives and introduce the necessary conservation measures for all 406 sites. Furthermore, the quality of the objectives and measures in place is insufficient. For this reason, the Commission sent Lithuania a letter of formal notice under Article 258 of the Treaty on the Functioning of the European Union in February 2021. In reply, Lithuania committed to addressing the gaps

<sup>28</sup> European Environment Agency, [Protected Areas](#), March 2022, terrestrial protected area percentage (2021) and marine protected area percentage (2019), March 2022.

<sup>29</sup> [EU Biodiversity Strategy Dashboard](#), indicators A1.1.1 and A1.2.1, February 2022.

<sup>30</sup> European Environment Agency, [Natura 2000 Barometer](#), February 2022.

identified. The Commission is closely monitoring progress towards compliance.

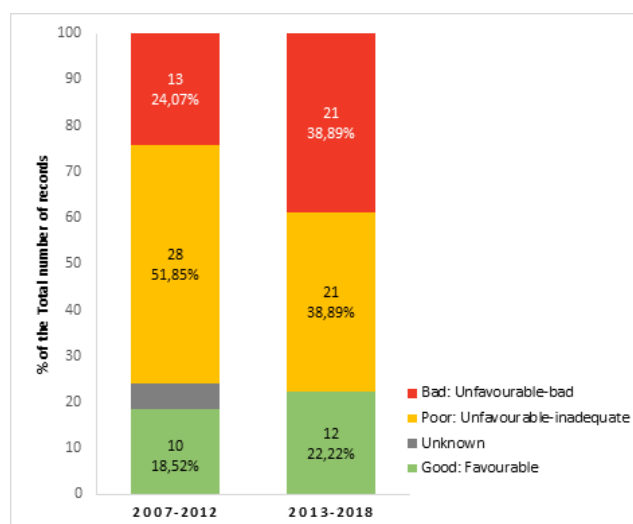
### Progress in maintaining or restoring favourable conservation status of species and habitats

To measure the performance of Member States, Article 17 of the Habitats Directive and Article 12 of the Birds Directive require reportings on the progress made towards maintaining or restoring the favourable conservation status of species and habitats.

According to the report submitted by Lithuania on the conservation status of habitats and species covered by Article 17 of the Habitats Directive for 2013-2018, 22% of habitats were in good conservation status in 2018 (19% in 2007-2012) and 37% of protected species assessments rated their conservation status as good (27% in 2007-2012). As far as birds are concerned, 19% of breeding species showed short-term increasing or stable population trends.

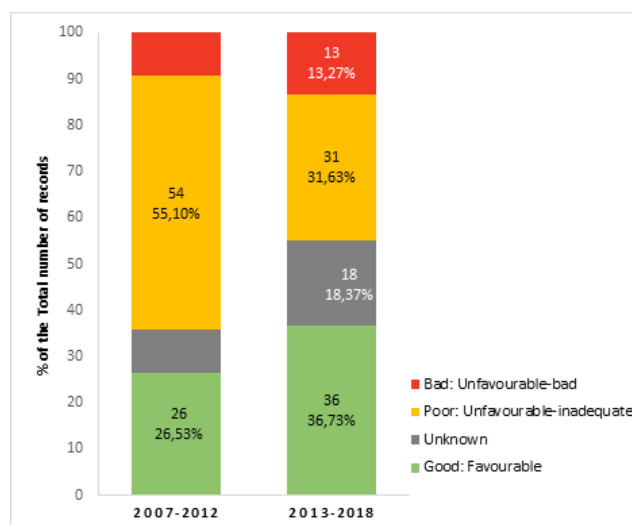
At the same time, the share of habitats with a bad conservation status has increased to 39% and the share of assessments for species in bad conservation status has also increased to 13%. The main pressures are invasive alien species, forestry and agriculture.

**Figure 8: Assessments of conservation status for habitats for 2007-2012 and 2013-2018<sup>31</sup>**



<sup>31</sup> European Environment Agency, [Conservation status and trends of habitats and species](#), December 2021. Please note when comparing the figures shown for 2007-2012 and 2013-2018 these may also be affected by changes of methods or due to better data availability.

**Figure 9: Assessments of conservation status for species for 2007-2012 and 2013-2018<sup>32</sup>**



Lithuania is currently implementing the LIFE integrated project “Optimising the management of Natura 2000 network in Lithuania”<sup>33</sup>. The project, which will invest EUR 17.2 million until 2027, was launched in 2018. It will encourage the development of the Natura 2000 network in the country, promote environmentally friendly farming and sustainable use of forests in Natura 2000 sites and raise public awareness of ecological issues. Among other initiatives, the LIFE integrated project includes result-based agri-environmental measure to save and protect species rich natural meadows<sup>34</sup>.

In its recovery and resilience plan, Lithuania has a measure that addresses: (i) regulatory changes to put in place the national framework for identifying damaged peatlands and manage the restored peatlands (by 30 September 2022); and (ii) investment to restore 8000 ha of damaged peatlands.

The 2019 EIR identified a number of priority actions for Lithuania, such as completing the Natura 2000 designation process, setting clear conservation objectives, providing adequate resources for implementation, and improving the incentives for foresters and farmers to better protect forest and grassland habitats. Lithuania made some progress on methodology for site-specific conservation objectives but limited or no progress on the other suggested actions.

<sup>32</sup> *Idem*.

<sup>33</sup> [LIFE integrated project for Natura 2000 protection - Naturalit](#)

<sup>34</sup> <https://naturalit.lt/en/a-pilot-agro-environmental-measure-has-been-started-in-lithuania/>

## Bringing nature back to agricultural land and restoring soil ecosystems

### Agricultural land

The biodiversity strategy works alongside the new farm to fork strategy and the new common agricultural policy (CAP) to support and achieve the transition to fully sustainable agriculture.

The biodiversity and farm to fork strategies have set four important targets for 2030:

- a 50% reduction in the overall use of – and risk from – chemical pesticides;
- a 50% reduction in the use of more hazardous pesticides;
- a 50% reduction in losses of nutrients from fertilisers while ensuring there is no deterioration of soil fertility (which will result in a 20% reduction in the use of fertilisers);
- bring back at least 10% of agricultural area under high-diversity landscape features and increase areas under organic farming to at least 25%.

According to the Commission analysis of Lithuania's CAP strategic plan<sup>35</sup> ammonia emissions from agriculture in Lithuania are still hampering efforts to reduce air pollution and the downward trend is not strong enough for Lithuania to meet its emission reduction commitments. The low organic-carbon content of soil is of particular concern, affecting both arable soils and grazing land.

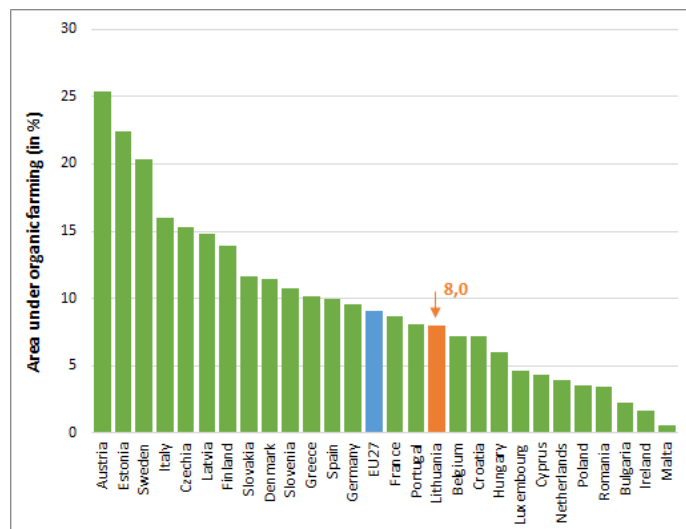
Lithuanian agricultural areas are affected by a decline in biodiversity. Data on the farmland bird index show a declining trend since 2014 with a slight improvement in 2019. The index for Lithuania stood at 61.69 in 2019, compared with 74.64 for the EU-27.

According to reports for 2013-2018, required under Article 17 of the Habitats Directive, no protected grassland habitats had a favourable conservation status. The prioritised action framework indicates that the main pressures for grasslands are conversion to other land uses (forests, arable land), land use intensification and intensive use of grasslands (frequent mowing, overgrazing), abandonment of meadows and pastures, use of pesticides and drainage.

The area of organically farmed land in Lithuania has marginally decreased since 2019. It accounted for 8.0% of all farmed land in 2020 (Figure 10), which is marginally below the EU average (9.07%) and considerably below the EU biodiversity and farm-to-fork strategy target for 2030. The Lithuanian government

programme of adopted in December 2020 includes an initiative to double the area of organic farming.

Figure 10: Share of total utilised agricultural area occupied by organic farming per Member State<sup>36</sup>



### Soil ecosystems

Soil is a finite and extremely fragile resource. It is increasingly degrading in the EU.

The new EU soil strategy, adopted on 17 November 2021, stresses the importance of soil protection, of sustainable soil management and of restoring degraded soils to achieve the Green Deal objectives as well as land-degradation neutrality by 2030.

This entails:

- (i) preventing further soil degradation;
- (ii) making sustainable soil management the new normal;
- (iii) taking action for ecosystem restoration

One factor of degradation of soil ecosystems is the area of soil that is sealed or artificialised<sup>37</sup>. The net land taken (land 'taken' means land that is sealed or artificialised) per year in 2012-2018 can be seen as a measure of one significant pressure on nature and

<sup>36</sup>

[https://ec.europa.eu/eurostat/databrowser/view/sdg\\_02\\_40/default/table?lang=en](https://ec.europa.eu/eurostat/databrowser/view/sdg_02_40/default/table?lang=en) (Eurostat, Area under organic farming, February 2022)

<sup>37</sup> Artificial land cover is defined as the total of roofed built-up areas (including buildings and greenhouses), artificial non-built-up areas (including sealed area features, such as yards, farmyards, cemeteries, car parking areas etc. and linear features, such as streets, roads, railways, runways, bridges) and other artificial areas (including bridges and viaducts, mobile homes, solar panels, power plants, electrical substations, pipelines, water sewage plants, and open dump sites).

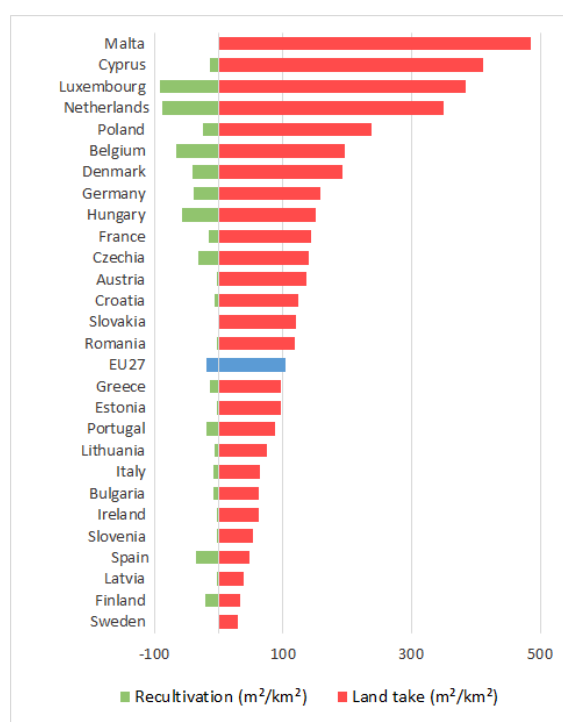
<sup>35</sup> SWD/2020/395 final

biodiversity - land use change. At the same time, land use change constitutes an environmental pressure on people living in urbanised areas. Despite a reduction in the last decade, land take in EU-28 still amounted to 539km<sup>2</sup>/year in 2012-2018<sup>38</sup>.

The concept of 'net land take' combines land take with the return of land to non-artificial land categories (re-cultivation). While some land was re-cultivated in the EU-28 in 2000-2018, 11 times more land was taken than returned.

Lithuania ranks below the EU average with net land take of 67.8m<sup>2</sup>/km<sup>2</sup> (EU-27 average: 83.8 m<sup>2</sup>/km<sup>2</sup>).

**Figure 11: Land take and re-cultivation in EU27 (m<sup>2</sup>/km<sup>2</sup>), 2012-2018<sup>39</sup>**



Lithuania has not yet committed to set land degradation neutrality targets under the United Nations Convention on combating desertification<sup>40</sup>.

### Forests and timber

The EU forest strategy for 2030 adopted in July 2021 is part of the Fit for 55 package. The strategy promotes the many services that forests provide. Its' key objective is to ensure healthy, diverse and resilient EU forests, that contribute significantly to strengthened

<sup>38</sup> [Land take in Europe – European Environment Agency \(europea.eu\)](https://europea.eu)

<sup>39</sup> European Environment Agency, [Land take in Europe](https://europea.eu), December 2021.

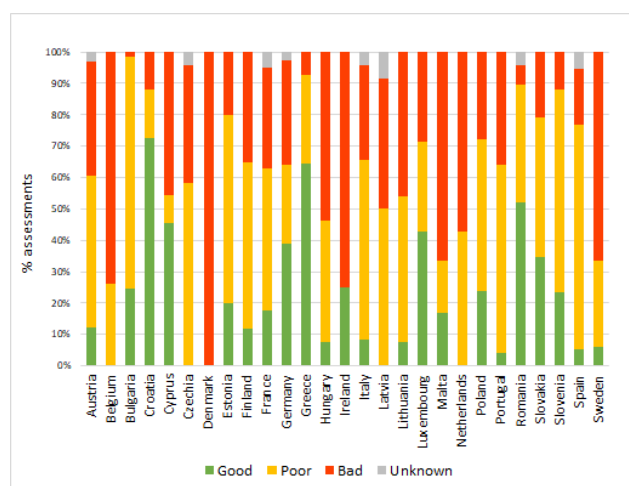
<sup>40</sup> [The LDN Target Setting Programme | UNCCD](https://www.unccd.int/)

biodiversity and climate ambitions. Forests are important carbon sinks and conserving them is vital if the EU is to achieve climate neutrality by 2050.

Out of the 27% of EU forest area protected under the Habitats Directive, less than 15% of assessments show a favourable conservation status<sup>41</sup>. Bad conservation status increased from 27% to 31% in the EU compared to 2015.

In Lithuania, forests cover 35.6% of the territory<sup>42</sup> and more than 90% of the assessments reveal a bad to poor status<sup>43</sup>. Primary forests cover 27 000 ha in Lithuania<sup>44</sup>.

**Figure 12: Conservation status of forests protected under the Habitats Directive in EU Member States, 2013-2018 (% assessments)<sup>45</sup>**



The **European Union Timber Regulation (EUTR)**<sup>46</sup> prohibits the placing on the EU market of illegally harvested timber. In accordance with the EUTR, EU Member States competent authorities must conduct regular checks on operators and traders and apply penalties for non-compliance. With the amendment of Article 20 of the EUTR, reporting every two years has been changed to annual reporting and covers the calendar year as of 2019.

<sup>41</sup> State of Nature Report, EEA, 2021 [State of Nature in the EU](https://www.eea.europa.eu/state-of-nature)

<sup>42</sup> EEA, [Forest information system for Europe](https://www.eea.europa.eu/forests).

<sup>43</sup> [COM SWD \(2021\) 652](https://eur-lex.europa.eu/eli/reg/2021/652)

<sup>44</sup> JRC, [Mapping and assessment of primary and old-growth forests in Europe](https://ec.europa.eu/jrc/en/publication/58422), p. 13.

<sup>45</sup> European Environment Agency, [Conservation status and trend in conservation status by habitat group - forests](https://www.eea.europa.eu/en/conservation-status-trend-forests), January 2022.

<sup>46</sup> [Regulation \(EU\) No 995/2010 of the European Parliament and of the Council of 20 October 2010](https://eur-lex.europa.eu/eli/reg/2010/995).

Between March 2017 and February 2019<sup>47</sup>, Lithuania carried out 6 824 checks on domestic timber operators. It also carried out 63 checks on operators importing timber. It is estimated that Lithuania had 17 000 operators placing domestic and 1 481 operators placing imported timber types onto the internal market over the reporting period.

According to the impact assessment for the Environmental Crime Directive illegal logging is a problem in Lithuania<sup>48</sup>.

The new Deforestation Regulation<sup>49</sup> will repeal and replace the EU TR, as it will essentially integrate and improve the existing system to check the legality of timber.

### Invasive alien species (IAS)

IAS are key drivers of biodiversity loss in the EU (alongside changes in land and sea use, overexploitation, climate change and pollution).

Besides inflicting major damage on nature and the economy, many invasive alien species also facilitate the outbreak and spread of infectious diseases, posing a threat to humans and wildlife.

The implementation of the EU Invasive Alien Species Regulation and other relevant legislation must be stepped up. The biodiversity strategy for 2030 aims to manage recognised invasive alien species and decrease the number of “red list” species they threaten by 50%.

The core of Regulation (EU) 1143/2014 on IAS (‘IAS Regulation’)<sup>50</sup> is the list of IASs of concern.

The total number of IAS of Union concern is currently 66, of which: 30 are animal species; 36 are plant species; 41 are primarily terrestrial species; 23 are primarily freshwater species; 1 is a brackish-water species and 1 is a marine species.

According to a 2021 report<sup>51</sup> on the implementation of the IAS Regulation, progress was being made towards certain objectives such as creating a coherent

<sup>47</sup> [COM/2020/629 final](#)

<sup>48</sup> SWD(2021) 465 final/2, p.18

<sup>49</sup> Proposal for a Regulation on the making available on the EU market and export of products associated with deforestation and forest degradation.

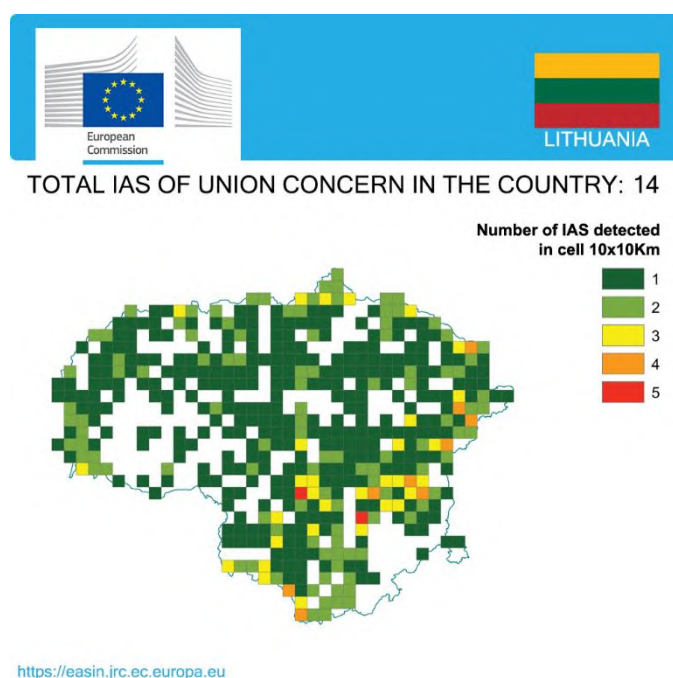
<sup>50</sup> Regulation (EU) No 1143/2014.

<sup>51</sup> Report from the Commission to the European Parliament and the Council on the review of the application of Regulation (EU) No 1143/2014 of the European Parliament and of the Council of 22 October 2014 on the prevention and management of the introduction and spread of invasive alien species, [COM\(2021\) 628 final](#), 13.10.2021.

framework for addressing IAS at EU level and increasing awareness of the problem of invasive alien species. The report also identified some challenges and areas for improvement. However, given that implementation deadlines for the IAS Regulation were staggered from July 2016 to July 2019, it is still too early to draw conclusions on several aspects of implementation.

A 2021 report<sup>52</sup> on the baseline distribution shows that of the 66 species on the EU list, 14 have been observed in the environment in Lithuania. The spread can be checked in Figure 13.

**Figure 13: Number of invasive alien species of EU concern, based on available georeferenced information for Lithuania, 2021**



An infringement case is ongoing for Lithuania as it failed to draw up and implement action plans by 13 July 2019 and communicate them to the Commission as required by Article 13 of the IAS Regulation. Lithuania plans to adopt these action plans in summer 2022.

### 2022 priority actions

- Complete the Natura 2000 designation process and put in place clearly defined site-specific

<sup>52</sup> Cardoso A.C., Tsiamis K., Deriu I., D' Amico F., Gervasini E., EU Regulation 1143/2014: assessment of invasive alien species of Union concern distribution, Member States reports vs JRC baselines, EUR 30689 EN, Publications Office of the European Union, Luxembourg, 2021, ISBN 978-92-76-37420-6, doi:10.2760/11150, [JRC123170](#).

conservation objectives and the necessary conservation measures for all the sites; provide adequate resources for their implementation to maintain/restore species and habitats of Community interest with a favourable conservation status.

- Ensure implementation of priority measures identified in the prioritised action framework for 2021-2027.
- Reduce pressure from the agricultural sector on natural resources by cutting ammonia emissions, increasing soil organic carbon content, better nutrient management and increasing nutrient use efficiency.
- Improve the incentives for foresters and farmers to better protect forest and grassland habitats. Ensure sustainable forest management through effective planning with due consideration for the ecosystem services provided by forests.

Take the necessary steps to ensure full compliance with the requirements specified in Article 13 of the IAS Regulation.

## Marine ecosystems

The EU biodiversity strategy 2030 aims to: (i) substantially reduce the negative impacts on sensitive species and habitats in marine ecosystems; (ii) achieve good environmental status as well as eliminate or reduce the incidental catches of protected, endangered, threatened and sensitive species to a level that allows species recovery and conservation<sup>53</sup>.

The Marine Strategy Framework Directive (MSFD)<sup>54</sup> requires Member States to achieve good environmental status (GES) for their marine waters.

To that end, Member States must draw up marine strategies for their marine waters and cooperate with Member States sharing the same marine region or sub-region. These marine strategies comprise different steps to be developed and implemented over six-year cycles.

The MSFD also requires Member States by 15 October 2018 to draw up a set of GES characteristics for each descriptor (Article 9), and to provide an initial assessment of their marine waters (Article 8).

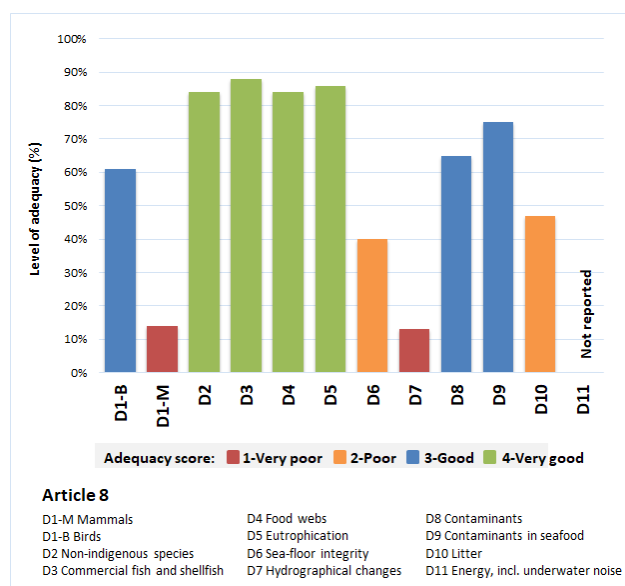
The Commission then assesses whether this constitutes an appropriate framework to meet the requirements of the Directive.

<sup>53</sup> [The EU Common Fisheries Policy \(CFP\) aims to contribute to the achievement of the objectives of the environmental legislation for marine ecosystems.](#)

<sup>54</sup> [Marine Strategy Framework Directive 2008/56/EC](#)

The Commission assessed Lithuania's 2018 determinations of GES for each of the MSFD's 11 descriptors<sup>55</sup> and determined their level of adequacy in relation to the Commission GES Decision. A good or very good score indicates that the national determinations of GES are well aligned with requirements of the Commission GES Decision, providing qualitative and quantitative national environmental objectives for their marine waters.

**Figure 14: Level of adequacy of GES determination by Lithuania (BAL region) with criteria set under the Commission GES Decision – Article 9 (2018 reporting exercise)<sup>56</sup>**



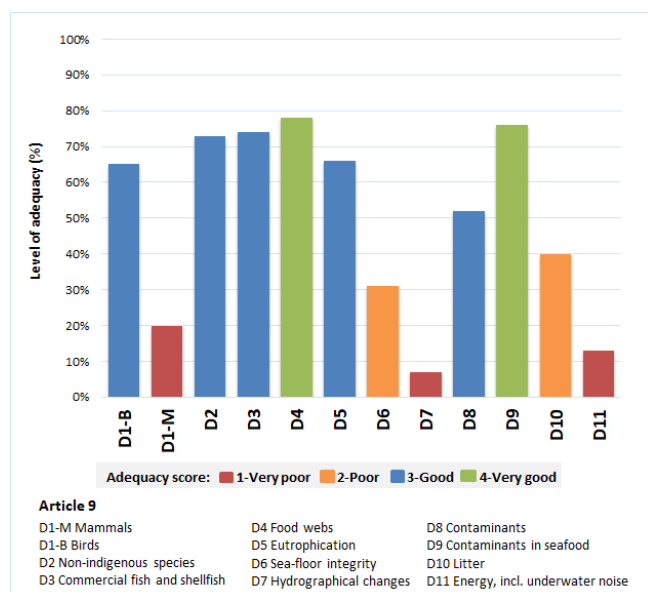
Lithuania has one marine sub-region, -Baltic Sea (BAL). In this marine sub-region, 7 out of 11 determinations of GES were assessed as good or very good. The national determination of GES by Lithuania is coherent for 7 out of 11 descriptors.

The MSFD also requires that Member States assess the current environmental status of their marine waters in relation to the determination of GES. A good or very good score indicates that Member States are well able to assess their marine environment in accordance with the requirements set out in the Commission GES Decision.

<sup>55</sup> Annex I of Directive 2008/56/EC.

<sup>56</sup> Assessment carried out by the European Commission of the data reported by the Member States, January 2022. Please note that only two sub-sections of descriptor D1 are displayed (D1-M Mammals and D1-B Birds). For the analysis, these two sub-sections were considered as a whole after averaging them.

**Figure 15: Level of adequacy of national assessment of Lithuania's marine environment (BAL region) with criteria set under the Commission GES Decision – article 8 (2018 reporting exercise)<sup>57</sup>**



Of the 11 descriptors, 7 were scored as good or very good. Lithuania's assessment of its marine environment is consistent with the requirements under the Commission GES Decision for 7 out of 11 descriptors.

Lithuania is missing data for D11 Energy, including underwater noise and D1 Mammals.

In the 2019 EIR, the Commission suggested that Lithuania provide timely report on the different elements under the MSFD.

As highlighted in the Commission's report on implementation of the MSFD<sup>58</sup>, while regional cooperation has improved since the adoption of the MSFD, more cooperation is needed to attain full regional coherence of the marine strategies, as required by the Directive.

Furthermore, in March 2022, the European Commission published a Communication with recommendations for Member States. The Commission assessment highlights that Member States need to step up their efforts to determine the good environmental status and the use of the criteria and methodological standards according to the Commission GES Decision. The above considerations form the basis for the 2022 priority actions.

<sup>57</sup> Assessment carried out by the European Commission of the data reported by the MS, January 2022. Please note that only two sub-sections of descriptor D1 are displayed (D1-M Mammals and D1-B Birds). For the analysis, these two sub-sections were considered as a whole after averaging them.

<sup>58</sup> [COM\(2020\)259](#)

## 2022 priority actions

- Ensure regional cooperation with Member States sharing the same marine (sub)region to address predominant pressures.
- Implement the recommendations made by the Commission in the staff working document<sup>59</sup> accompanying the Communication<sup>60</sup> on recommendations per Member State and region on the 2018 updated reports for Articles 8, 9 and 10 of the MSFD.

## Ecosystem assessment and accounting

The EU Biodiversity Strategy for 2030 calls on Member States to better integrate biodiversity considerations into public and business decision-making at all levels and to develop natural capital accounting. The EU needs a better performing biodiversity observation network and more consistent reporting on the condition of ecosystems.

Since 2017, Lithuania has seen some major developments in this area - on both the ecosystem assessment process and ecosystem services integration in general.

In terms of national policy, most notably, ecosystem assessment was included in the previous Lithuanian government's work programme for 2016-2020.

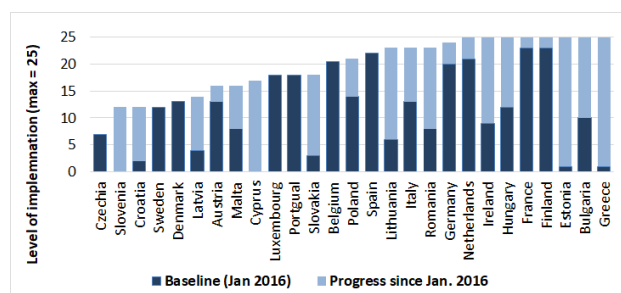
A national project – LINESAM (Lithuanian national ecosystem services assessment and mapping) 2017-2021 was carried out in Lithuania by an international team based at Mykolas Romeris University, working closely with the Ministry of the Environment. Outputs included a geoportal where the data layers, interactive maps, assessments and various other publications are published. A major update of ecosystem service layers was implemented in September 2021. Newly uploaded services visualize drivers of change scenarios, such as land use change and habitat quality change.

Lithuania has provided updated information and significant progress has been recorded since January 2016 (Figure 16). This assessment is based on 27 implementation questions and is updated every 6 months.

<sup>59</sup> [SWD\(2022\)1392](#)

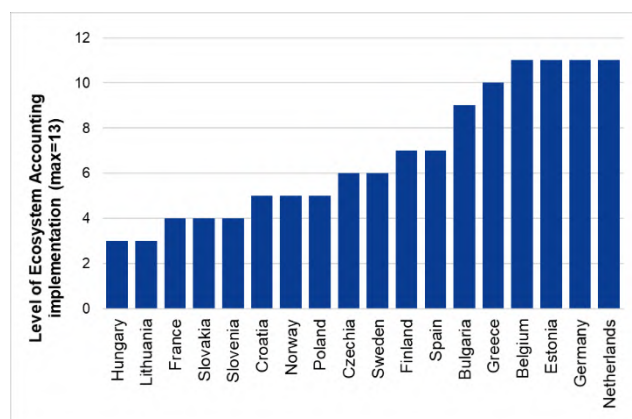
<sup>60</sup> [COM\(2022\)550](#)

**Figure 16: ESERALDA MAES Barometer (March 2021)<sup>61</sup>**



National progress on ecosystem accounting implementation is assessed based on 13 questions (see Figure 17).

**Figure 17: Ecosystem accounting Barometer, September 2021<sup>62</sup>**



Business and Biodiversity platforms, networks and communities of practice are key tools for promoting and facilitating natural capital assessments (NCAs) among business and financial service providers for instance via the natural capital protocol of the Natural Capital Coalition<sup>63</sup>. NCAs help private business to better understand and value not only their impacts but also their dependencies on nature and thereby contributing to the EU biodiversity strategy. Such platforms have

been established at EU level<sup>64</sup> and in some, but not all Member States.

Lithuania has not yet established such a platform.

Lithuania has not yet signed and ratified the Nagoya Protocol on access to genetic resources and the fair and equitable sharing of benefits arising from their utilization (ABS) to the Convention on biological diversity.

#### 2022 priority action

- Continue supporting the mapping and assessment of ecosystems and their services, and ecosystem accounting development, through appropriate indicators for integrating ecosystem extent, condition and services (including some monetary values) into national accounts; continue supporting the development of national business and biodiversity platforms, including natural capital accounting systems to monitor and evaluate the impact of business on biodiversity.

<sup>61</sup> European Commission, Joint Research Centre, Publication Office, [EU Ecosystem assessment: summary for policymakers](#), page 80, May 2021. MAES: mapping and assessment of ecosystems and their services.

<sup>62</sup> MAIA Portal, Mapping and assessment for Integrated Ecosystem Accounting (EU Horizon 2020 project), 2022. MAIA uses the System of Environmental Economic Accounting – Experimental Ecosystem Accounting (SEEA-EEA) as the methodological basis for the ecosystem accounting. The SEEA EA is an integrated and comprehensive statistical framework that is based on five core accounts: ecosystem extent, condition, services and monetary ecosystem asset.

<sup>63</sup> Natural Capital Coalition, [Natural Capital Protocol](#)

<sup>64</sup> Business and Biodiversity, [The European Business and Biodiversity Campaign](#) aims to promote the business case for biodiversity in the EU Member States through workshops, seminars and a cross media communication strategy.

### 3. Zero pollution

#### Clean air

EU clean air policies and legislation need to significantly improve air quality in the EU, moving the EU closer to the quality recommended by the WHO and curbing emissions of key air pollutants.

Air pollution and its impacts on ecosystems and biodiversity should be further reduced with the long-term aim of not exceeding critical loads and levels. This requires strengthening efforts to reach full compliance with EU clean air legislation and defining strategic targets and actions for 2030 and beyond.

The 2030 zero pollution action plan targets are to reduce the health impacts of air pollution by 55% and to reduce the EU ecosystems threatened by air pollution by 25% compared to 2005.

The EU has developed a comprehensive suite of clean air legislation, which sets health-based air quality standards<sup>65</sup> and emissions-reduction commitments<sup>66</sup> by Member State for a number of air pollutants.

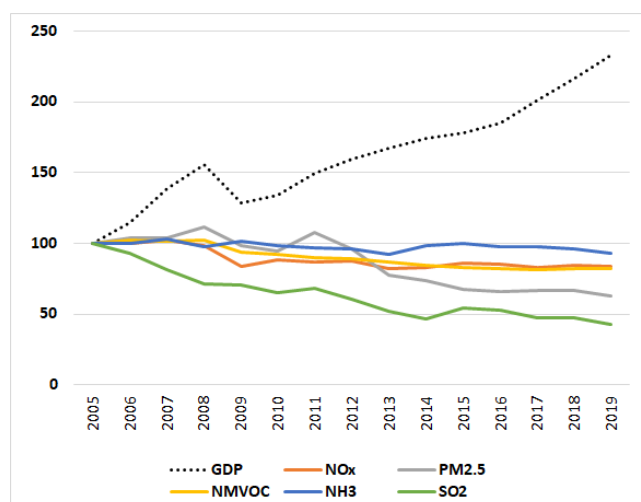
Air quality in Lithuania continues to be generally good with some exceptions. The latest available annual estimates (for 2019) by the European Environment Agency<sup>67</sup> point to about 2 500 premature deaths or 27 900 years of life lost (YLL) attributable to fine particulate matter concentrations<sup>68</sup>, and 90 premature deaths or 1 100 YLL to ozone concentration<sup>69</sup>.

Emissions of key air pollutants have decreased significantly in Lithuania in recent years, as GDP growth continued (see graph). According to the latest projections, as submitted under Article 10(2) of the National Emission Reduction Commitments Directive (NECD)<sup>71</sup>, Lithuania expects to meet emission reduction commitments for SO<sub>2</sub> and PM<sub>2.5</sub> for 2020-2029 and for SO<sub>2</sub>, NH<sub>3</sub> and PM<sub>2.5</sub> for 2030 onwards. However, according

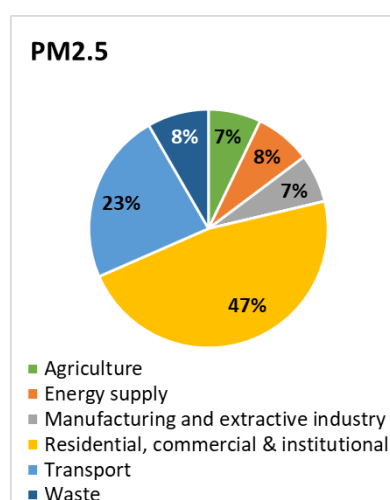
to projections, it will not meet its 2020-2029 emission reduction commitments for NO<sub>x</sub>, non-methane volatile organic compounds (NMVOCs) or NH<sub>3</sub>, or the emission reduction commitments for NO<sub>x</sub> and NMVOCs for 2030 onwards. The latest inventory data submitted by Lithuania, which have not yet been reviewed by the Commission, indicate that in 2020 Lithuania has complied with its emission reduction commitments for SO<sub>2</sub> and PM<sub>2.5</sub> but not with its emission reduction commitments for NO<sub>x</sub>, NMVOC and NH<sub>3</sub>.

Lithuania submitted its national air pollution control programme on 2 June 2019.

**Figure 18: Emission trends of main pollutants/ GDP 2005-2019 in Lithuania<sup>72</sup>**



**Figure 19: PM2.5 and NOx emissions by sector in Lithuania, 2019<sup>73</sup>**



<sup>65</sup> European Commission, 2016. [Air Quality Standards](#)

<sup>66</sup> European Commission, [Reduction of National Emissions](#).

<sup>67</sup> [European Environment Agency, Air Quality in Europe –2021 Rapport](#). See details in this report on the underpinning methodology, p. 106.

<sup>68</sup> Particulate matter (PM) is a mixture of aerosol particles (solid and liquid) covering a wide range of sizes and chemical compositions. PM<sub>10</sub> refers to particles with a diameter of 10 micrometres or less. PM<sub>2.5</sub> refers to particles with a diameter of 2.5 micrometres or less. PM is emitted from many human sources, including combustion.

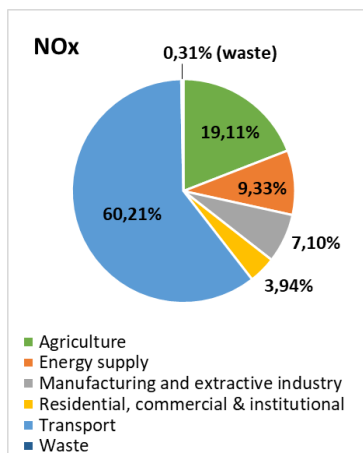
<sup>69</sup> Low-level ozone is produced by photochemical action on pollution.

<sup>70</sup> Please note that these figures refer to the impacts of individual pollutants, and to avoid double-counting cannot be added up to derive a sum.

<sup>71</sup> Directive 2016/2284/EU.

<sup>72</sup> European Environment Agency.

<sup>73</sup> European Environment Agency.



For 2020, no exceedances above the limit values established by the Ambient Air Quality Directive were registered. However, for two air quality zones the target values regarding ozone concentration have not been met<sup>74</sup>.

In 2019, Lithuania was called on, as a priority action, to further reduce emissions from the main sources. Although some measures, notably for transport and industry<sup>75</sup>, have been put in place under air quality plans, so far, they have not yielded the expected result. Therefore, this priority action is still valid.

### 2022 priority actions

- As part of the national air pollution control programme (NAPCP), take steps towards reducing emissions from the main sources mentioned above.  
Ensure full compliance with EU air quality standards and maintain downward emissions trends for air pollutants, to reduce adverse air pollution impacts on health and economy with a view to reaching WHO guideline values in the future.

## Industrial emissions

The main objectives of EU policy on industrial emissions are to:

- protect air, water and soil;
- prevent and manage waste;
- improve energy and resource efficiency;
- clean up contaminated sites.

To achieve this, the EU takes an integrated approach to the prevention and control of routine and accidental industrial emissions. The cornerstone of the policy is the

Industrial Emissions Directive (IED)<sup>76</sup>. The Commission tabled a proposal in April 2022<sup>77</sup>. The revision seeks to improve the Directive's contribution to the zero-pollution objective, as well as its consistency with climate, energy and circular economy policies.

The below overview of industrial activities regulated by the IED is based on data reported to the EU Registry (2018)<sup>78</sup>.

In Lithuania, around 230 industrial installations are required to have a permit based on the IED. The distribution of installations is shown in the figure below.

The industrial sectors in Lithuania with most installations in 2018 were intensive rearing of poultry and pigs (37%), followed by the waste management sector, including landfills (29%), the energy sector (11%) and the food and drink industries (8%).

<sup>74</sup> European Environment Agency, [Eionet Central Data Repository](#).

<sup>75</sup> European Environment Agency. *Managing Air Quality in Europe*, fig.2. 16.2.2022.

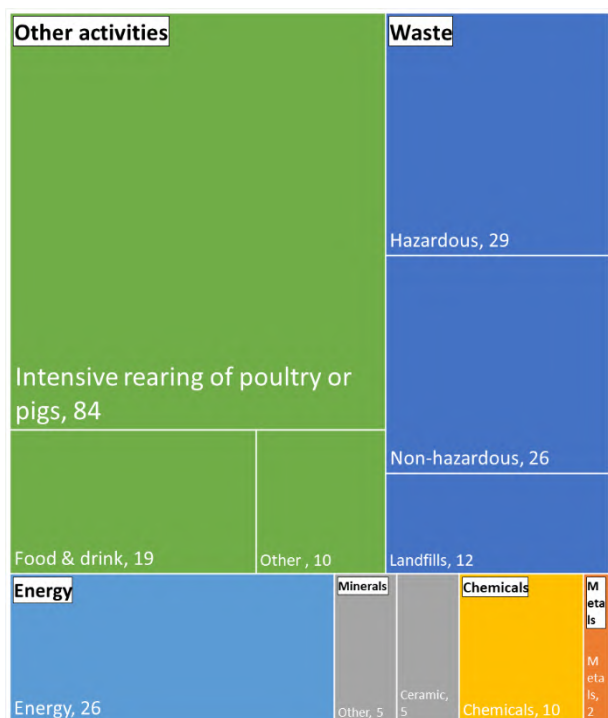
<sup>76</sup> Directive 2010/75/EU covers industrial activities carried out above certain thresholds. It covers the energy industry, metal production, the mineral and chemical industry, waste management, and a wide range of industrial and agricultural sectors (e.g. intensive rearing of pigs and poultry, pulp and paper production, painting and cleaning).

<sup>77</sup>

European Commission, [proposal for a revision of the Industrial Emissions Directive](#), 4 April 2022. The revision of the IED is performed in parallel to the revision of Regulation (EC) No 166/2006 on the European Pollutant Release and Transfer Register (E-PRTR).

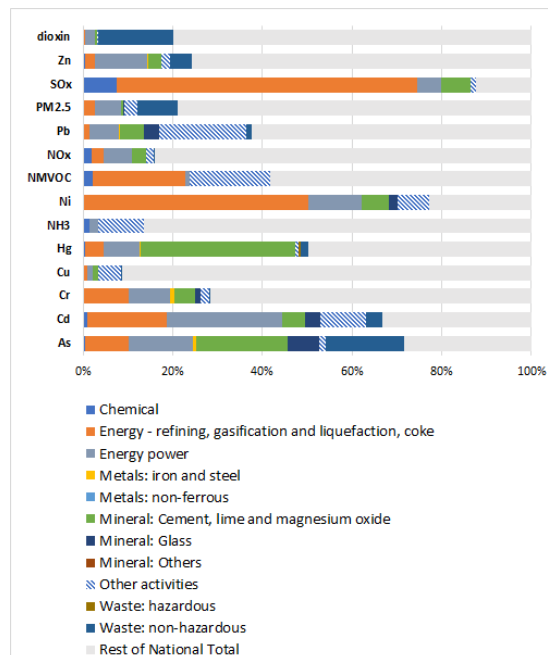
<sup>78</sup> European Environment Agency, [European Industrial Emissions Portal](#).

Figure 20: Number of IED industrial installations per sector in Lithuania, 2018<sup>79</sup>



The industrial sectors identified as contributing the largest burden to the environment for emissions to air were the energy sector for sulphur oxides (SO<sub>x</sub>), Nitrogen Oxides (NO<sub>x</sub>) and NMVOCs; the mineral industries for arsenic (As) and mercury (Hg); intensive rearing of poultry and pigs for ammonia (NH<sub>3</sub>); food and drink industries for NMVOCs; other industrial product use for copper (Cu) and lead (Pb), and the waste management sector for particulate matter (PM<sub>2.5</sub>) and dioxins. The breakdown is shown in the following graph.

Figure 21: Emissions to air from IED sectors and rest of national total air emissions in Lithuania, 2018<sup>80</sup>



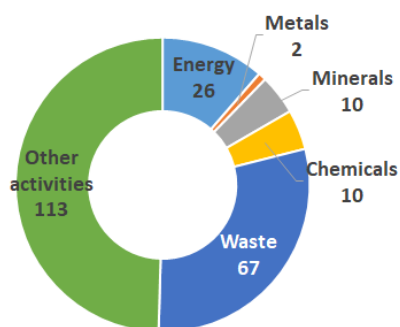
In Lithuania, no releases to water have been reported from industrial activities under the European pollutant release and transfer register (E-PRTR).

The EU approach to enforcement under the IED creates strong rights for the public to have access to relevant information and to participate in the permitting process for potentially polluting installations. This empowers the public and NGOs to ensure that permits are appropriately granted and that the conditions of these permits are complied with. As part of environmental inspection, competent authorities undertake site visits to IED installations to take samples and to gather necessary information. According to Article 23(4) of the IED, site visits must be carried out between once every year and once every 3 years, depending on the environmental risks posed by the installations. In 2018, Lithuania undertook 228 site visits, mostly to installations for the intensive rearing of poultry or pigs (37%), followed by the waste management sector, including landfills (29%), the energy sector (11%) and the food and drink industries (8%).

<sup>79</sup> European Environment Agency, EU Registry, [European Industrial Emissions Portal \(data retrieved on 3 November 2021\)](#).

<sup>80</sup> European Environment Agency, [LRTAP \(data retrieved on 3 November 2021\)](#).

**Figure 23: Number of inspections in IED installations in Lithuania in 2018<sup>81</sup>**



The development of best-available-technique (BAT) reference documents (BREFs) and BAT conclusions ensures good collaboration between stakeholders and enables better implementation of the IED<sup>82</sup>. Since the last EIR report, BAT Conclusions were adopted for: (i) waste incineration; (ii) the food, drink and milk industries; and (iii) surface treatment using organic solvents including the preservation of wood and wood-products with chemicals.

The Commission relies on the efforts of national competent authorities to implement the legally binding BAT conclusions and associated BAT emission levels in environmental permits. This should result in considerable and continuous reduction in pollution.

In 2019, Lithuania received the priority action to review permits and to strengthen control and enforcement to ensure compliance with newly adopted BAT conclusions. The Commission has been monitoring progress, as reported by Lithuania to the EU registry. No non-compliant permits have been reported in the most recent reports.

In 2022, Lithuania's reporting to the E-PRTR is still experiencing delays and should be improved.

#### 2022 priority action

- Improve reporting to the E-PRTR.

### Major industrial accidents prevention – SEVESO

The main objectives of EU policy on

<sup>81</sup> European Environment Agency, EU Registry, [European Industrial Emissions Portal \(data retrieved on 3 November 2021\)](#).

<sup>82</sup> European Commission [BAT reference documents](#).

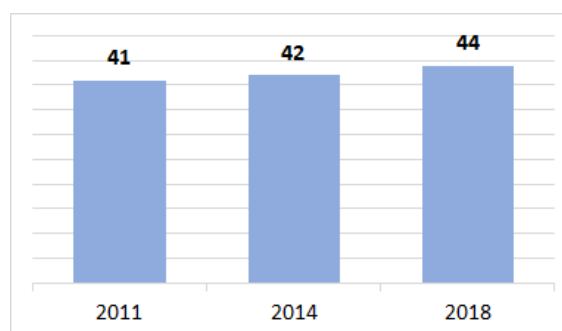
the prevention of major industrial accidents are to:

- control major accident hazards involving dangerous substances, especially chemicals;
- limit the consequences of such accidents for human health and the environment;
- continuously improve prevention, preparedness and response to major accidents. The cornerstone of the policy is Directive 2012/18/EU (the Seveso-iii directive)<sup>83</sup>.

The below overview of industrial plants regulated by the Seveso-III Directive ('Seveso establishments'), is based on data reported to the eSPIRS database (2018)<sup>84</sup> and the Lithuania report on the implementation of the Seveso-III Directive for the period 2015-2018<sup>85</sup>.

Of the 44 Seveso establishments in Lithuania, 25 are categorised as lower-tier establishments (LTE) and 19 as upper-tier establishments (UTE) – based on the quantity of hazardous substances likely to be present. The UTEs are subject to more stringent requirements. The growth in the number of Seveso establishments is presented in Figure 24.

**Figure 24: Number of Seveso establishments in Lithuania, 2011, 2014 and 2018<sup>86</sup>**



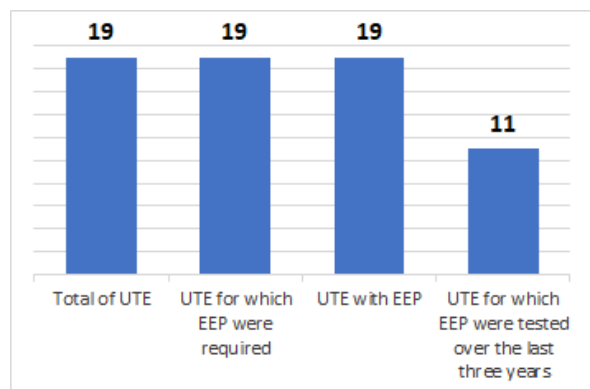
Many Seveso establishments are required to draw up external emergency plans (EEPs). These EEPs are essential to allow proper preparation and effective implementation of the necessary actions to protect the environment and the population should a major industrial accident occur at them. According to Lithuania, EEPs are required for 19 UTEs. In 2018, 19 UTEs had an EEP and 11 of these EEP had been tested over the last 3 years. The summary is shown in Figure 25..

<sup>83</sup> Directive 2012/18/EU on the control of major-accident hazards involving dangerous substances

<sup>84</sup> European Commission, [Seveso Plants Information Retrieval System](#).

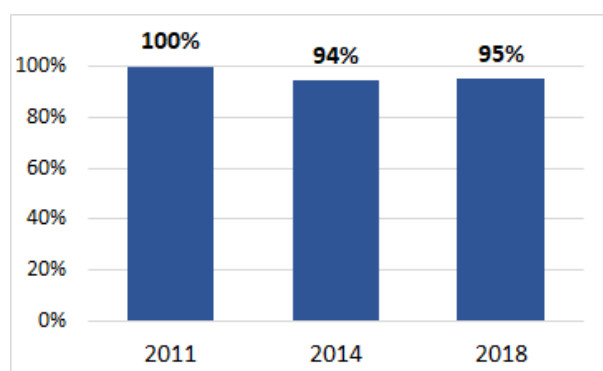
<sup>85</sup> As provided for by Article 21(2) of the Seveso-III Directive

<sup>86</sup> European Commission, [Assessment and summary of Member States' implementation reports for Implementing Decision 2014/896/EU \(implementing Directive 2012/18/EU on the control of major accident hazards involving dangerous substances\)](#), 2022.

**Figure 25: Situation regarding EEP in Lithuania (2018)<sup>87</sup>**

The public information referred to in Annex V to the Seveso-III Directive – especially about how the public affected will be warned in case of a major accident; the appropriate behaviour in the event of a major accident; and the date of the last site visit – is permanently available for 100% of the Seveso establishments in Lithuania.

The share of UTE for which information on safety measures and requisite behaviours were actively made available to the public in recent years is presented in Figure 26. This is an important provision of the Seveso-III Directive as public knowledge of this information public could reduce the consequences of a major industrial accident.

**Figure 26: Share of UTE for which information on safety measures and requisite behaviours was actively made available to the public in Lithuania, 2011, 2014 and 2018<sup>88</sup>**

## 2022 priority actions

- Strengthen monitoring and enforcement to ensure compliance with the Seveso-III Directive, especially

<sup>87</sup> Idem.

<sup>88</sup> Idem.

its provisions on information for the public and the external emergency plan.

## Noise

The Environmental Noise Directive provides for a common approach to avoid, prevent and reduce the harmful effects of exposure to environmental noise although it does not set noise limits as such. Its main instruments in this respect are strategic noise mapping and planning. A key target under the 2030 zero pollution action plan is to reduce by 30% the share of people chronically disturbed by transport noise compared to 2017.

Excessive noise from aircraft, railways and roads is one of the main causes of environmental health-related issues in the EU. It can cause ischaemic heart disease, stroke, interrupted sleep, cognitive impairment and stress<sup>89</sup>.

In Lithuania, based on a limited set of data<sup>90</sup>, environmental noise is estimated to cause at least around 200 premature deaths and 500 cases of ischaemic heart disease annually<sup>91</sup>. Moreover, some 30 000 people suffer from disturbed sleep. In Lithuania, the number of people exposed to noise pollution fell by 15% between 2012 and 2017. Based on the latest full set of information that has been analysed, noise mapping and planning of agglomerations, roads and railways is complete.

## Water quality and management

EU legislation and policy requires that the impact of pressures on transitional, coastal and fresh waters (including surface and ground waters) be significantly reduced. Achieving, maintaining or enhancing good status of water bodies as defined by the Water Framework Directive will ensure that EU citizens benefit from good quality and safe drinking and bathing water. It will further ensure that the nutrient cycle (nitrogen and phosphorus) is managed in a more sustainable and resource-efficient way.

<sup>89</sup> WHO 2018, Environmental noise guidelines for the European region

<sup>90</sup> For further information: European Environment Agency, noise fact sheets 2021.

<sup>91</sup> These figures are an estimation by the European Environmental Agency based on : (i) the data reported by Member States on noise exposure covered by Directive 2002/49/EC; (ii) ETC/ATNI, 2021, Noise indicators under the Environmental Noise Directive 2021: [Methodology for estimating missing data](#), ETC/ATNI Report No 2021/06, European Topic Centre on Air Pollution, Transport, Noise and Industrial Pollution; (iii) the [methodology for health impact calculations](#), ETC/ACM, 2018, Implications of environmental noise on health and wellbeing in Europe, Eionet Report ETC/ACM No 2018/10, European Topic Centre on Air Pollution and Climate Change Mitigation.

## Water Framework Directive

The Water Framework Directive (WFD)<sup>92</sup> is the cornerstone of EU water policy in the 21<sup>st</sup> century<sup>93</sup>. The WFD and other water-related legislation<sup>94</sup> set the framework for sustainable and integrated water management, which aims at a high level of protection of water resources, prevention of further deterioration and restoration to good status.

By March 2022, Member States had to report the third set of river basin management plans (RBMPs) under the WFD. Lithuania has not yet reported it. The Commission will assess the reported status and progress, checking what measures have been taken in response to findings identified when the second RBMPs<sup>95</sup> were assessed.

In December 2021, the Commission published the sixth implementation report, which assesses implementation of the WFD and the Floods Directive<sup>96</sup>. This report includes an interim assessment of progress on: (i) implementation of the programmes of measures; and (ii) the new priority substances. The assessment report for Lithuania<sup>97</sup> found that progress on implementation of the second management cycle measures was difficult to evaluate. There were no mechanisms for ongoing monitoring of progress on implementation and no country reports on WFD implementation had been produced since. Nevertheless, Lithuania reported that implementation of measures had started, along with some pilot projects investigating the effectiveness of the measures to restore river hydromorphology.

The second set of RBMP reports and data published in 2020<sup>98</sup> reveal that in Lithuania 51.9% of all surface water bodies<sup>99</sup> have good ecological status and 99.0% have good chemical status (with 0.1% unknown). For groundwaters, 100% achieve both good chemical and quantitative status.

<sup>92</sup> The [Water Framework Directive \(2000/60/EC\)](#).

<sup>93</sup> The [EU Water Policy](#).

<sup>94</sup> This includes the [Groundwater Directive \(2006/118/EC\)](#), the [Environmental Quality Standards Directive \(2008/105/EC\)](#), the [Floods Directive \(2007/60/EC\)](#), the [Bathing Water Directive \(2006/7/EC\)](#), the [Urban Waste Water Treatment Directive \(91/271/EEC\)](#), the new [Drinking Water Directive \(2020/2184/EC\)](#), the [Nitrates Directive \(91/676/EEC\)](#), the [Marine Strategy Framework Directive \(2008/56/EC\)](#), the [Industrial Emissions Directive \(2010/75/EU\)](#) and the new [Regulation on minimum requirements for water reuse \(2020/741\)](#).

<sup>95</sup> Detailed information can be found in the [5<sup>th</sup> Report from the Commission on the implementation of the Water Framework Directive and the Floods Directive](#), as well as in the 2019 EIR.

<sup>96</sup> See the [6<sup>th</sup> WFD and FD implementation report FD](#).

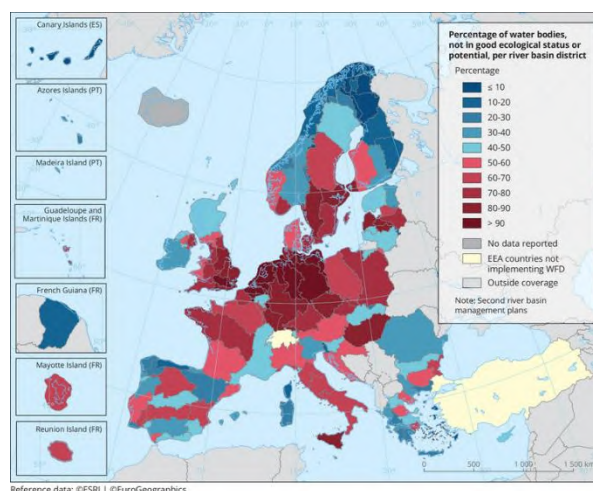
<sup>97</sup> European Commission, Directorate-General for Environment, Assessment of Member States' progress in programmes of measures during the second planning cycle of the Water Framework Directive. Member State: [Lithuania](#), 2022.

<sup>98</sup> [WISE Freshwater \(europa.eu\)](#)

<sup>99</sup> River, lake, transitional, coastal, territorial.

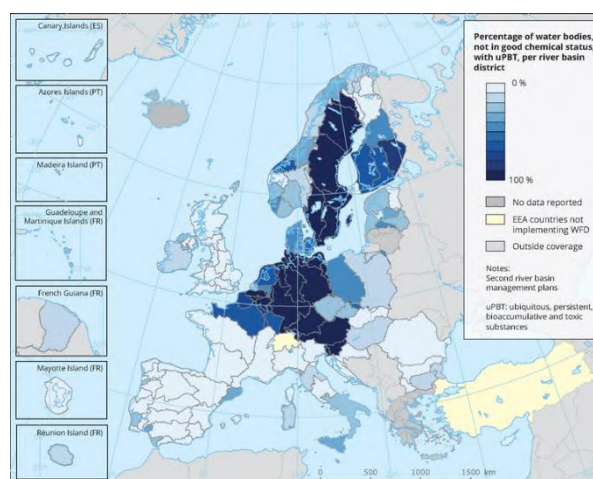
The figure below illustrates the proportion of surface water bodies in Lithuania and other European countries that failed to achieve good ecological status.

**Figure 27. Proportion of surface water bodies (rivers, lakes, transitional and coastal waters) in less than good ecological status per River Basin District<sup>100</sup>**



The following figure shows the percentage of surface water bodies in Lithuania and other European countries failing to achieve good chemical status. For Lithuania the percentage is 0.9%, irrespective of whether or not the figures include water bodies failing due to ubiquitous PBTs (persistent, bio-accumulative, toxic substances).

**Figure 28. Percentage of surface water bodies not achieving good chemical status<sup>101</sup>**



Over the last decade, Lithuania has achieved a 72.4% reduction in releases of heavy metals like cadmium,

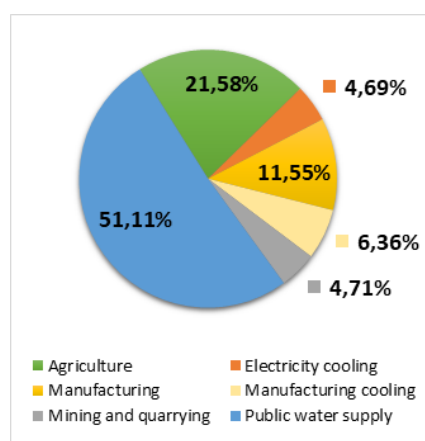
<sup>100</sup> European Environment Agency, [2021](#).

<sup>101</sup> European Environment Agency, [December 2019](#).

mercury, nickel and lead into water and an 86.4% reduction in total organic carbon releases<sup>102</sup>.

A total of 267.44 hm<sup>3</sup> of water is abstracted annually from surface and groundwater sources in Lithuania (corresponding to the 2019 baseline) (European Environment Agency (EEA), 2022; the figure quoted is the 2019 baseline). The percentage for water abstraction per sector is 21.58% for agriculture, 51.11% for public water supply, 4.69% for electricity cooling, 11.55% for manufacturing, 6.36% for manufacturing cooling and 4.71% for mining and quarrying, as illustrated in the following Figure. Lithuania uses a register to record water abstractions. The water register is updated regularly, although not all information is registered. Exemptions are not recorded.

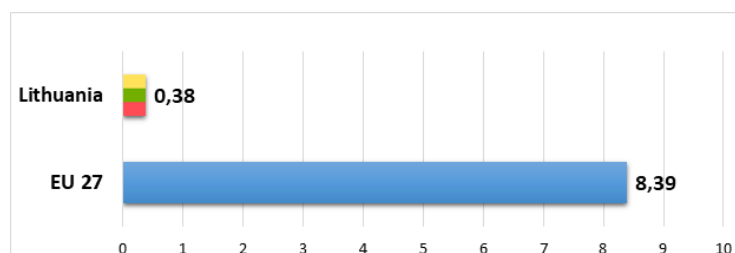
Figure 29. Water abstraction per sector in Lithuania<sup>103</sup>



In Lithuania, the water exploitation index plus (WEI+)<sup>104</sup> is 0.38%, far below the 20% generally considered as an indication of water scarcity<sup>105</sup>.

The bar below presents the WEI+ index in Lithuania and other European countries. Lithuania is ranked 24<sup>th</sup> (from high to low index) in EU level in terms of water exploitation.

Figure 30: Water exploitation index plus (WEI+) inside EU, 2017<sup>106</sup>



One positive development is the [LIFE MarshMeadows](#) project (start date: Oct. 2021) that aims to restore the hydrological regime on 630 ha in Lithuania which would facilitate the conservation and management of habitats and species.

### Floods Directive

As mentioned above, in December 2021, the Commission published the sixth implementation report. It includes a review and update of the preliminary flood risk assessments during the second cycle (2016-2021).

The assessment report<sup>107</sup> showed that Lithuania should establish clearer criteria for the significance of potential flood impact and consequences. Long term developments should be taken into consideration in the assessment of adverse consequences of future flood events and the effectiveness of existing man made flood defence infrastructures should be considered. Lithuania has carried out a detailed assessment of potential climate change impacts. Since it was done some time ago, an update is recommended.

Lithuania has not yet reported the second generation of flood risk management plans (FRMPs) under the Floods Directive. The European Commission will assess progress since the adoption of the first FRMPs and publish a new report, as done in 2019.

### Drinking Water Directive

On the Drinking Water Directive<sup>108</sup>, no new assessment of the quality of drinking water is available since the 2019EIR. The quality of drinking water in Lithuania has not been indicated as an area of concern.

The recast Directive<sup>109</sup> entered into force on 12 January 2021, and Member States have until 12 January 2023 to

<sup>102</sup> European Environment Agency, June 2021.

<sup>103</sup> European Environment Agency, [Water abstraction by source and economic sector in Europe](#), 2022.

<sup>104</sup> The Water Exploitation Index plus (WEI+) is a measure of total fresh water use as a percentage of the renewable freshwater resources (groundwater and surface water) at a given time and place. It quantifies how much water is abstracted and how much water is returned after use to the environment.

<sup>105</sup> By May 2022, EEA will develop seasonal WEI+ at river basin and NUTS2 level, which provide a more complete picture of water stress and water scarcity for each Member State.

<sup>106</sup> European Environment Agency, [Water exploitation Index Plus](#), 2022.

<sup>107</sup> European Commission, Directorate-General for Environment, Assessment of Second Cycle Preliminary Flood Risk Assessments and Identification of Areas of Potential Significant Flood Risk under the Floods Directive : Member State : [Lithuania](#), 2022

<sup>108</sup> OJ L 330, 5.12.1998, p. 32–54.

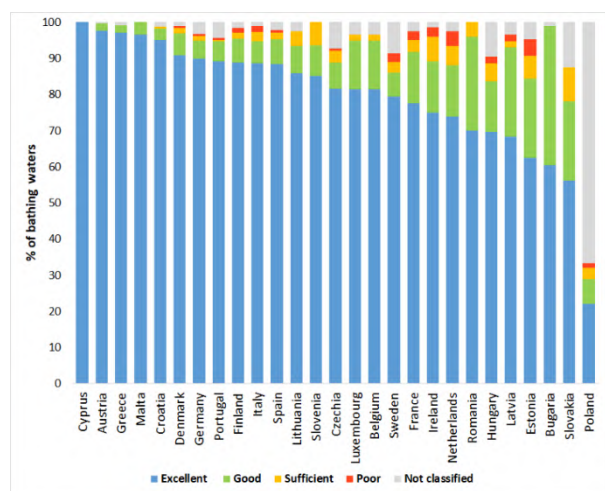
<sup>109</sup> OJ L 435, 23.12.2020, p. 1–62.

implement it in national law. Lithuania will have to comply with these reviewed quality standards.

### Bathing Water Directive

On the Bathing Water Directive, Figure 32 shows that in 2020, out of the 120 Lithuanian bathing waters, 85.8% were of excellent quality<sup>110</sup>. Detailed information on the Lithuanian bathing waters is available from a national website<sup>111</sup> and via an interactive map viewer produced by the European Environment Agency<sup>112</sup>.

**Figure 31: Bathing water quality in Europe in the 2020 season**<sup>113</sup>



**Figure 32: Lithuania, Bathing water quality 2017-2020**<sup>114</sup>



### Nitrates Directive

The latest Commission Report on the implementation of the Nitrates Directive<sup>115</sup>, for 2016-2019<sup>116</sup>, warns that nitrates are still causing harmful pollution to water in the EU. Excessive nitrates in water are harmful to both human health and ecosystems, causing oxygen depletion and eutrophication. Where national authorities and farmers have cleaned up waters, it has had a positive impact on drinking water supply and biodiversity, and on the sectors that depend on them such as fisheries and tourism. Nevertheless, excessive fertilisation remains a problem in many parts of the EU. Compliance with the Nitrates Directive is a prerequisite for reducing nutrient losses by at least 50% by 2030, the target set by the EU's biodiversity and farm to fork strategies. Rapid action is required, starting with the enforcement of the related legislation.

Regrettably, Lithuania has not provided information about nitrogen discharges from agriculture into in the aquatic environment for the 2016-2019 reporting period.

Lithuania has a well-developed network of monitoring stations. Groundwater quality is good, however a large number of groundwater monitoring stations are detecting an increasing trend. A high number of the surface waters are found to be eutrophic. Eutrophication is affecting both inland and marine (Baltic Sea) waters. The Ministers of Agriculture, Fisheries and Environment from the Baltic Sea Member States responded to the very acute eutrophication problem which affects 97% of the

<sup>110</sup> European Environment Agency, 2021. [State of bathing water — European Environment Agency \(europa.eu\)](#), p. 17.

<sup>111</sup> [http://www.smlpc.lt/lt/aplinkos\\_sveikata/maudyklos/](http://www.smlpc.lt/lt/aplinkos_sveikata/maudyklos/)

<sup>112</sup> EEA, [State of bathing waters in 2020 — European Environment Agency \(europa.eu\)](#)

<sup>113</sup> European Environment Agency, [Bathing Water Quality in 2020](#), 2022.

<sup>114</sup> European Environment Agency, [European Bathing Water Quality in 2017, 2018, 2019 and 2020](#).

<sup>115</sup> Council Directive 91/676/EEC

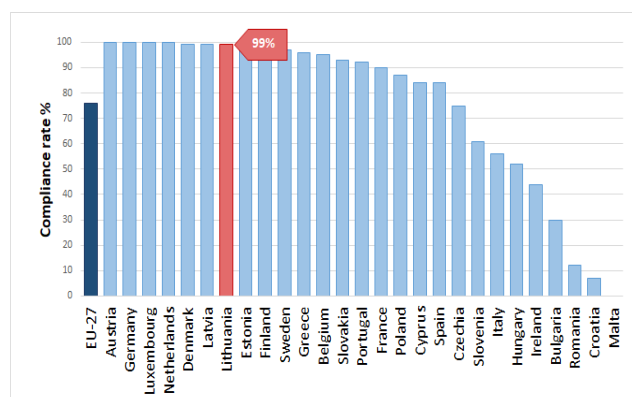
<sup>116</sup> COM(2021) 1000 final

Baltic Sea<sup>117</sup> when they met at the ‘Our Baltic Conference’ on 28 September 2020. In a common political declaration, they committed to boosting efforts to ensure a good environmental status for the Baltic Sea by reducing key pressures, especially from nutrients.

### Urban Waste Water Treatment Directive

Lithuania has, over the years, encountered a few difficulties in meeting its obligations under the Urban Waste Water Treatment Directive (UWWTD). According to the last available data, the overall compliance rate in Lithuania is 99%, which is considerably higher than the EU average of 76% in 2018 (see figure 33). Lithuania has met its target for collection, biological treatment and biological treatment with nitrogen of urban waste water and phosphorus removal. Lithuania reuses 36% of waste water sludge in agriculture and 39.6% for other purposes.

**Figure 33: Proportion of urban waste water that meets all requirements of the UWWTD (collection, biological treatment, biological treatment with nitrogen and/or phosphorus removal) in compliant urban areas of the UWWTD (‘compliance rate’)<sup>118</sup>**



Despite the steady improvement in compliance over the years, for which EU funding has been fundamental, the implementation of the UWWTD is still incomplete. Lithuania is taking steps to address issues related to the use of individual and other appropriate systems across the country and needs to verify the compliance of a now-reconstructed urban waste water treatment plant in one agglomeration (Kėdainiai).

### 2022 priority actions

- Assess new physical modifications to water bodies in line with Article 4(7) of the WFD. In these assessments alternative options and appropriate

mitigation measures must be considered.

- Facilitate implementation of measures (in particular on restoring river hydromorphology) aimed at achieving the WFD objectives.
- Improve coordination of measures to implement policies on water, marine and nature.
- Complete implementation of the Urban Waste Water Treatment Directive for all agglomerations, by building up the necessary infrastructure.
- Reinforce action programme under the Nitrates Directive to better address eutrophication of surface waters where agriculture pressure is significant.

### Chemicals

The EU seeks to ensure that chemicals are produced and used in a way that minimises any significant adverse effects on human health and the environment. In October 2020, the Commission published its chemicals strategy for sustainability – ‘Towards a Toxic-Free Environment’<sup>119</sup> which led to some systemic changes in EU chemicals legislation. The strategy is part of the EU zero pollution ambition – a key commitment of the European Green Deal.

The EU’s chemicals legislation<sup>120</sup> provides baseline protection for human health and the environment. It also ensures stability and predictability for businesses operating within the internal market.

Since 2007, the Commission has gathered information on enforcement of the Regulation on the registration, evaluation, authorisation and restriction of chemicals (‘the REACH Regulation’) and the Regulation on classification, labelling and packaging (‘the CLP Regulation’). In December 2020, the Commission assessed the Member States’ reports on the implementation and enforcement of these Regulations<sup>121</sup>, in line with Article 117(1) of the REACH Regulation and Article 46(2) of the CLP Regulation. According to the latest available data, national enforcement structures have not changed much in recent years. However, it is apparent from this report that there are still many disparities in the implementation of the REACH and CLP Regulations, and notably on enforcement. Recorded compliance levels in Member States seem to be quite stable over time, but with a slight worsening trend, which is likely due to: (i) enforcement authorities being more effective in detecting non-

<sup>117</sup> *idem*.

<sup>118</sup> European Commission, [WISE Freshwater](#), 2021.

<sup>119</sup> [COM\(2020\) 667 final](#)

<sup>120</sup> REACH: OJ L 396, 30.12.2006, p.1. - CLP: OJ L 252, 31.12.2006, p.1

<sup>121</sup> European Commission, Final Report on the operation of REACH and CLP, [Final report REACH-CLP MS reporting 2020.pdf \(europa.eu\)](#).

compliant products/companies; and (ii) more non-compliant products being put on the EU market.

In August 2021, the Commission published a quantitative assessment of the enforcement<sup>122</sup> of the two main EU Regulations on chemicals (the REACH Regulation and the CLP Regulation) using a set of indicators on different aspects of enforcement.

Responsibility for checking compliance with REACH in Lithuania lies with the following authorities<sup>123</sup>:

- Environmental Protection Department under the Ministry of the Environment.
- State Consumer Rights Protection Authority under the Ministry of Justice.
- Customs Department under the Ministry of Finance.
- State Labour Inspectorate under the Ministry of Labour and Social Security.

The State Consumers Rights Protection Authority under the Ministry of Justice has carried out market surveillance of non-food products (including chemicals) since January 2016 after the reorganisation of the State Non-Food Products Inspectorate. The draft Law on Amendment of the Law on Chemicals (submitted in November 2019) aims to strengthen the national enforcement system on the chemicals management. Once the amendment is adopted, implementing acts will clearly lay down the responsibilities and powers of all national enforcement authorities (NEAs) involved in enforcing chemicals legislation (including the REACH Regulation). In June 2019, the Ministry of the Environment submitted proposals for strengthening the capacities of the NEAs involved in enforcing chemicals legislation (including proposals for staff increases, strengthening human and technical resources).

Lithuania has devised and implemented both the REACH and the CLP enforcement strategies<sup>124</sup> that consist of:

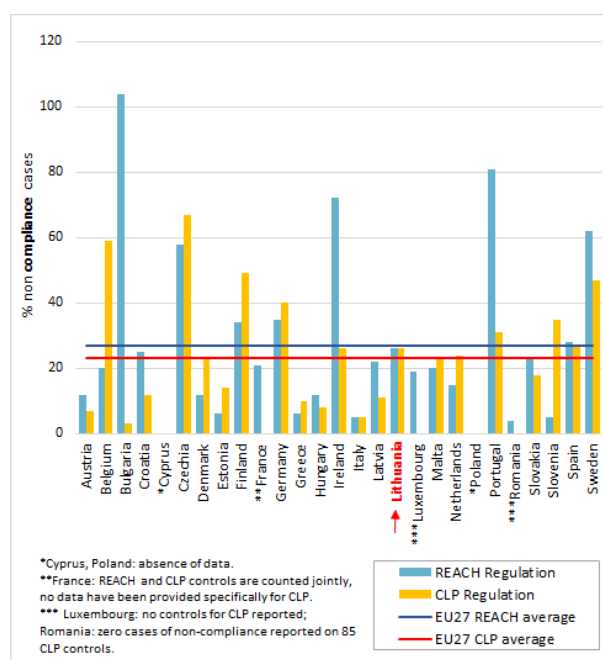
- an annual enforcement plan drawn up by each NEA;
- identification of priorities based on risk assessment of companies (analysis of non-compliance, effects of non-compliance, target group, legal obligations and tasks, Customs information on import, information from national database on chemicals) and risk assessment of chemicals (annual tonnage, possible adverse effects, hazardous, exposure, etc.); and
- an annual report on enforcement activities.

As a rule, all infringements of REACH are classed as serious or very serious environmental administrative

offences. If the infringement is sufficiently serious, the relevant authority may decide to impose further penalties in addition to a fine. That authority may also, where necessary, order the provisional seizure of assets and documents.

In Lithuania, 74 staff members (coordinators and territorial or regional inspectors) are allocated to REACH and CLP enforcement<sup>125</sup>. Almost 1 000 REACH and CLP controls were carried out. Most REACH controls are proactive (inspections), compared with reactive/non-routine controls (i.e. investigations in response to complaints, accidents and referrals). The percentage of non-compliance cases out of the total number controls almost equals the EU average.

**Figure 34: % of non-compliance cases out of the total number of REACH and CLP controls during 2019 per Member State and compared to the EU average<sup>126</sup>**



## 2022 priority actions

- Upgrade the implementation and enforcement administrative capacities towards a zero tolerance to non-compliances.

<sup>122</sup> [European Commission, REACH and CLP enforcement: EU level enforcement indicators](#)

<sup>123</sup> [Final report REACH-CLP MS reporting 2020.pdf \(europa.eu\)](#), p. 70

<sup>124</sup> [Final report REACH-CLP MS reporting 2020.pdf \(europa.eu\)](#), p. 76

<sup>125</sup> European Commission, Final Report, on the operation of REACH and CLP, [Final report REACH-CLP MS reporting 2020.pdf \(europa.eu\)](#), p. 75.

<sup>126</sup> European Commission, [Final Report, on the operation of REACH and CLP](#), pp.87-88, 2022.

## 4. Climate Action

In line with the Paris Agreement and as part of the European Green Deal, the European Climate Law sets the EU target of reaching climate neutrality by 2050 and reducing its greenhouse gas (GHG) emissions by 55% by 2030 compared to 1990. The law also limits the contribution that carbon removals can make towards emission reductions in 2030 to ensure that there is sufficient mitigation effort. The EU and its Member States submitted updated Nationally determined Contribution (NDC) to the UNFCCC in December 2020. The EU is working across all sectors and policies to cut GHG emissions and make the transition to a climate-neutral and sustainable economy, as well as addressing unavoidable consequences of climate change.

EU Climate legislation has been adopted to incentivize emissions reductions from power generation, industry, transport, the maritime sector and fluorinated gases (F-gases) used in products.

For road transport, EU legislation requires the GHG intensity of vehicle fuels to be cut by 6% by 2020 compared to 2010<sup>127</sup> and sets binding GHG emission standards for different vehicle categories<sup>128</sup>.

Under the F-gas Regulation, the EU's F-gas emissions will be cut by two thirds by 2030 compared with 2014 levels.

From 2021, emissions and removals of GHGs from land use, land use change and forestry (LULUCF) have been included in the EU emission reduction efforts.

The EU adaptation policy is an integral part of the European Green Deal. From 2021, Member States are required to report on their national adaptation policies<sup>129</sup>, as the European Climate Law recognises adaptation as a key component of the long-term global response to climate change. Member States will be required to adopt national strategies and the EU will regularly assess progress as part of its overall governance on climate action. The updated EU adaptation strategy, published in February 2021, sets out how the EU can adapt to the unavoidable impacts of climate change and become climate resilient by 2050.

### Key national climate policies and strategies

Lithuania has an integrated national energy and climate plan for 2021-2030. The work is consistent with the long-term strategy. Lithuania is bound to reaching climate neutrality in line with the EU general target. The national objective is to become climate neutral by 2050.

Lithuania adopted a strategy for national climate management policy 2013-2050 in 2012. This is an integrated strategy, which covers both adaptation and mitigation. To update climate change policy for the period from 2020, in 2021 national climate change management agenda was approved which replaces the former strategy (2012). The Agenda sets targets and objectives for climate change mitigation and adaptation for the short term (up to 2030), medium term (up to 2040) and long term (up to 2050). The goals of the agenda are: (i) to form a long-term vision for Lithuania's climate change management policy to achieve climate neutrality by 2050; (ii) to ensure that Lithuania's economy and ecosystems are resilient to the changes caused by climate change and, through sustainable financing and investment, to develop a competitive, low-carbon economy and create new green jobs; (iii) to implement eco-innovative technologies, increase the efficiency of energy production and consumption and the use of renewable energy resources in all sectors of the country's economy (energy, industry, transport, agriculture, etc.).

In its RRP, Lithuania allocates 37,8% of the plan to climate objectives and outlines crucial reforms and investments to further the transition to a more sustainable, low-carbon and climate-resilient economy, including renewable energy, sustainable transport and building renovation.

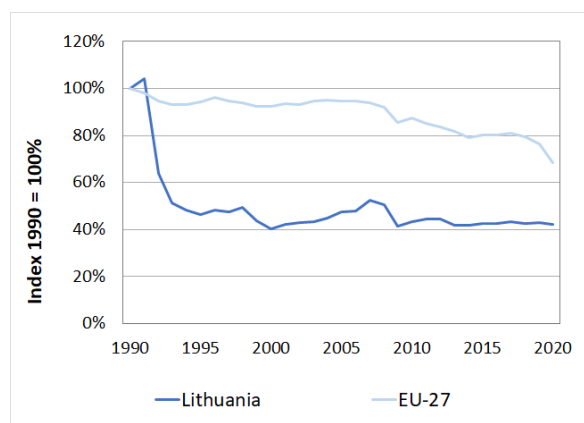
Lithuania has reduced its GHG emissions by 58% between 1990 and 2020, significantly more than the EU average.

<sup>127</sup> The Fuel Quality Directive Directive (98/70/EC) sets strict quality requirements for fuels used in road transport in the EU to protect human health and the environment, and to make road travel across the EU safer.

<sup>128</sup> Directive 98/70/EC.

<sup>129</sup> Article 29 of Regulation (EU) 2018/1999.

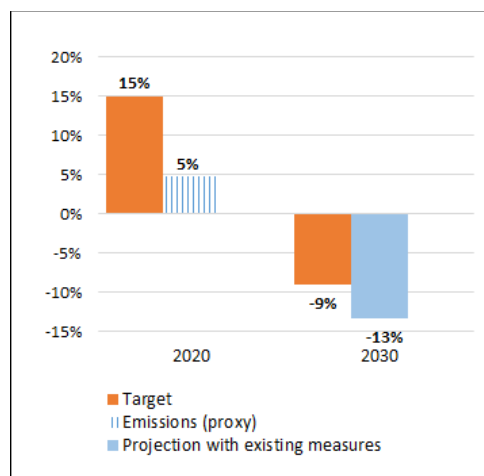
**Figure 35: Total GHG emissions (incl. international aviation) in Lithuania 1990-2020**



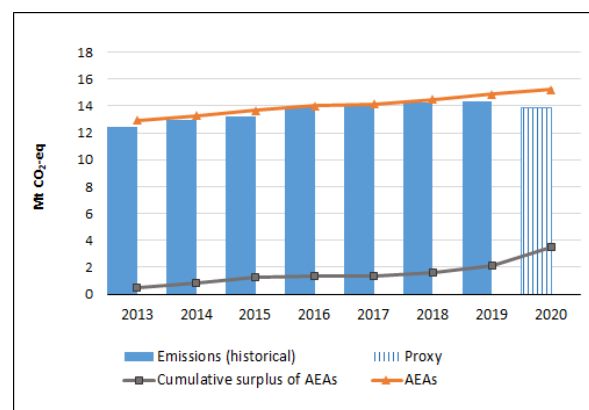
### Effort sharing target

For emissions not covered by the EU ETS, Member States have binding national targets under the Effort Sharing legislation<sup>130</sup>. Under EU legislation, Lithuania has a target not to increase GHG in the non-ETS sectors (buildings, road and domestic maritime transport, agriculture, waste and small industries) by more than 15% by 2020. The target now is to reduce emissions by 9% by 2030 compared to 2005 levels. Lithuania is estimated to have overachieved its 2020 target. The country's effort sharing emissions in 2019 were lower than its 2020 target. In its national energy and climate plan, Lithuania intends to exceed its current effort sharing target for 2030 of -9%.

**Figure 36: Emissions and targets under the Effort Sharing Decision/ Effort Sharing Regulation in Lithuania, 2020 and 2030 as % change from 2005**



**Figure 37: Emissions, annual emission allocations (AEAs) and accumulated surplus/ deficit of AEAs under the Effort Sharing Decision in Lithuania, 2013-2020**



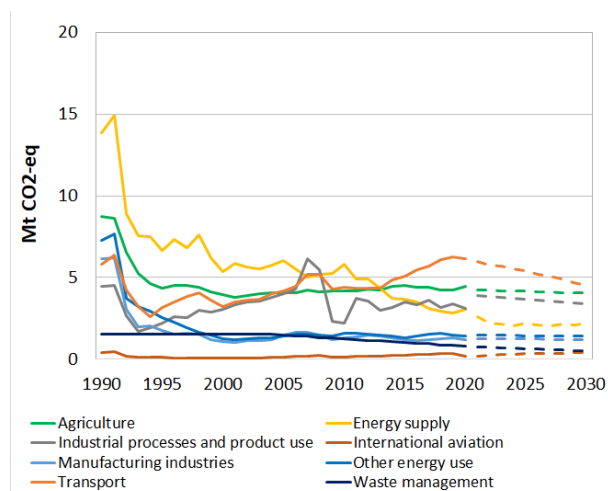
### Key sectoral developments

In 2019, road transport emissions in Lithuania accounted for 29% of total GHG emissions. Emissions increased by 56% compared to 2005.

In road transport, the GHG intensity of vehicle fuels in Lithuania fell by 2,2% between 2010 and 2019. The country needs to act swiftly to meet this target. There are several types of action that Member States can take in this regard, for example: (i) further expanding the use of electricity in road transport; (ii) supporting the use of biofuels, and advanced biofuels in particular; (iii) incentivising the development and deployment of renewable fuels of non-biological origin; and (iv) reducing upstream emissions before refining processes.

<sup>130</sup> Regulation (EU) 2018/842

**Figure 38: GHG emissions by sector<sup>131</sup> – historical emissions in Lithuania, historical data 1990-2020, projections 2021-2030<sup>132</sup>**



To further reduce building emissions, energy renovations are needed. Lithuania's RRP focuses on the renovation multi-apartments buildings, which is in line with Lithuania's long term renovation strategy.

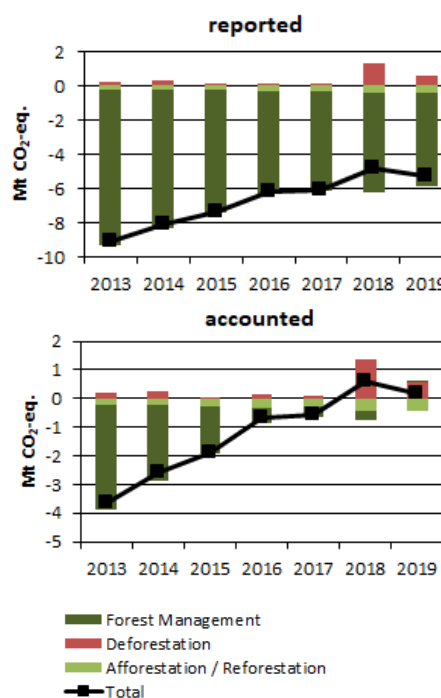
On agriculture, the share of agriculture in total GHG emissions is the third highest in the EU, with more limited mitigation opportunities available.

In the Land Use, Land Use Change and Forestry (LULUCF) sector, Lithuania's projects a similar level of net removals by 2030. Reported quantities under the Kyoto Protocol for the LULUCF sector in Lithuania show net removals of, on average, -6.7 Mt CO<sub>2</sub>-eq for 2013 to 2019. With this, Lithuania accounts for 1.9% to the annual average sink of -344.9 Mt CO<sub>2</sub>-eq of the EU-27. Accounting for the same period depicts average annual net credits of -1.2 Mt CO<sub>2</sub>-eq, which represents 1.1% of the EU-27 accounted sink of -115.0 Mt CO<sub>2</sub>-eq. Reported net removals show a sharply decreasing trend. The same trend is shown for accounted net credits between 2013 and 2017 becoming net debits in 2018 and 2019. Lithuania is one of 14 EU Member States that show net debits for at least one year in this preliminary accounting exercise.

<sup>131</sup> The sectors in the figure correspond to the following IPCC sectors: Energy supply: 1A1, 1B and 1C. Energy use in manufacturing industries: 1A2. Industrial processes and product use: 2. Transport: 1A3. Other energy use: 1A4, 1A5 and 6. Agriculture: 3. Waste: 5. International aviation: 1.D.1.a.

<sup>132</sup> European Environmental Agency, [Total GHG trends and projections](#).

**Figure 39: Reported and accounted emissions and removals from LULUCF in Lithuania<sup>133</sup>**



## Use of revenues from the auctioning of EU ETS allowances

The total revenues from the auctioning of emission allowances under the EU ETS over the years 2012-2021 were EUR 458,6 million. In Lithuania, revenues are put in a Climate Change fund that is only for climate action and only funded by auctioning revenues, and spent on climate and energy projects.

## 2022 priority actions

- Seize renewable energy potential. Lithuania would further benefit from ambitious offshore wind developments.
- Enhance sustainable transport and increase the number of electric vehicles
- Improve measures addressing energy efficiency and renewable energy in buildings, in particular through the modernisation of heating systems.
- Maximise the role of waste heat and remain vigilant regarding the sustainability of biomass
- Increasing environmental taxes and scrapping exemptions would help to green the Lithuanian

<sup>133</sup> The differences between reported and accounted emissions from LULUCF under the Kyoto Protocol are described in the 'explanatory note on LULUCF – accounted and reported quantities under the Kyoto Protocol'.

economy. Environmental taxes in Lithuania are mostly collected from taxes on energy and are significantly below the EU average, although

recently the government has taken action to increase pollution taxes.

## Part II: Enabling framework: implementation tools

### 5. Financing

#### Environmental investment needs in the European Union

Financing environmental measures is essential for their success. Although most financing comes from national sources, various EU funds contribute significantly, helping to close the financing gaps between countries.

Post-2020, environmental measures will also be supported by the EU's COVID-19 Recovery Fund (via the Recovery and Resilience Facility) and the 'do no significant harm' principle, which runs across the EU budget.

The renewed commitments made at COP26 (Glasgow, October-November 2021) and the Biodiversity Convention (April-May 2022)<sup>134</sup> will also be reflected in the EU budget.

#### Overall environmental investment gaps (EU27)

The EU's investment needs for the green transition cover a range of interlinked areas. The additional investment needs over the baselines (i.e., the gap between what is needed and what is forecast to be invested if no additional action is taken) for climate, energy and transport were estimated in 2021 at EUR 390 billion a year (EU-27)<sup>135</sup>, with a further EUR 130 billion a year to deliver the EU's core environmental objectives<sup>136</sup>. The costs of climate change adaptation can also be significant and are estimated to reach a total of EUR 35-62 billion (narrower scope) or EUR 158-518 billion (wider scope) per year<sup>137</sup>. Those investment needs reflect the implementation objectives to 2020 and to 2030 (except for climate change adaptation, the costs of which are expected to last over a longer time horizon).

A preliminary update of the EU's core environmental investment gap is provided in the Table 1<sup>138</sup>. Almost 40% of the environmental investment needs relate to dealing with pollution, which accounts for nearly two-thirds of

the total investment gap if combined with water management. The investment gap in circular economy and waste is estimated between EUR 13-28 billion a year, depending on levels of circularity implemented. The annual biodiversity financing gap is estimated at around EUR 20 billion.

**Table 1: Estimated breakdown of the EU27's environmental investment gaps, by environmental objective, 2021-2030 (per year)<sup>139</sup>**

Environmental objective	Estimated investment gap (EU-27, p.a.)	
	EUR million	%
Pollution prevention & control	42.8	39%
Water management & industries	26.6	24%
Circular economy & waste	13.0	12%
Biodiversity & ecosystems <sup>140</sup>	21.5	20%
R & D & I and other	6.2	6%
<b>Total</b>	<b>110.1</b>	<b>100%</b>

#### Environmental investment needs in Lithuania

Investments in the circular economy are a priority in Lithuania, followed by protection of nature and biodiversity as well as sustainable water services. Investments to reduce air pollution should also be considered. The following environmental investment needs have been identified by sector.

<sup>134</sup> [The Convention on Biological Diversity \(cbd.int\); Post-2020 Global Biodiversity Framework | IUCN.](https://www.cbd.int/post2020/global-biodiversity-framework-iucn)

<sup>135</sup> SWD(2021)621, accompanying proposal COM(2021) 557 to amend the REDII Directive (EU) 2018/2001.

<sup>136</sup> [SWD\(2020\) 98 final/2.](#)

<sup>137</sup> [SWD\(2018\)292](#)

<sup>138</sup> With decreases due to Brexit and some reconciliation among the objectives. Source: DG ENV "Study supporting EU green investment needs analysis" (ongoing, 2021-2023) and DG ENV internal analysis "Environmental investment needs and financing in the EU's green transition" July 2020.

<sup>139</sup> European Commission, DG Environment, "Study supporting EU green investment needs analysis" (ongoing, 2021-2023) and DG Environment internal analysis "Environmental Investment needs and financing in the EU's green transition", July 2020.

<sup>140</sup> To meet the needs of the 2030 Biodiversity Strategy (Natura 2000, green infrastructure), at least EUR 20 billion a year should be unlocked for nature (COM/2020/380 final) while to fully cover the strategy (including restoration) EUR 30-35 billion may be needed, indicating a gap of EUR 10-20 billion a year compared to current baseline expenditure.

### Pollution prevention & control

The EU's First Clean Air Outlook<sup>141</sup> under the Clean Air Programme estimated that the total air pollution control costs for Lithuania to reach the NECD emission reduction requirements<sup>142</sup> by 2030 amount to EUR 401 million per year, including, EUR 286 million for capital investment (assuming the 2030 climate and energy targets are met).

The second Clean Air Outlook suggests<sup>143</sup> that the EU would largely achieve the reductions of air pollutant emissions that correspond to the obligations under the NEC Directive for 2030 if: (i) all relevant legislation adopted up to 2018 is implemented (including all air pollution legislation and the 2030 climate and energy targets set in 2018); and (ii) Member States also implemented the measures announced in their national air pollution control programmes. The only exception is for ammonia (NH<sub>3</sub>) for 15 Member States, including Lithuania.

### Water management

According to the OECD study 'Financing a Water Secure Future' (2022)<sup>144</sup>, an estimated 6% of the population lacks access to improved sanitation and 4% to improved drinking water, mainly in rural areas. The frequency of heavy rainfall, storm surges and strong winds are projected to increase. EU funding has provided a significant share of past public funding over the past decade<sup>145</sup>. Up to 2030, the cumulative additional investment need for Lithuania was estimated at EUR 861 million euro (around EUR 86 million per year) over baseline levels, with around 90% of that relating to wastewater<sup>146</sup>. Whilst Lithuania reported some planned measures as part of the river basin management plan under the Water Framework Directive completed for all river basin districts<sup>147</sup>, the first programme of measures has not been fully implemented. A lack of adequate finance is also likely to continue to present an obstacle also to implementing the second (2015-2021)<sup>148</sup> and the

third (2021-2027) programme of measures. In its water sector development programme, Lithuania reports financing needs by 2023 of EUR 72 million, of which EUR 18 million are high priority, EUR 32 million low priority and EUR 22 million earmarked for additional road protection measures.<sup>149</sup> Moreover, the recent 6<sup>th</sup> Water Framework Directive and Floods Directive Implementation Report<sup>150</sup> and the financial - economic study<sup>151</sup> accompanying it, are also a relevant source of information in this domain.

### Waste & circular economy

According to a Commission's study<sup>152</sup> to meet the recycling targets for municipal waste and packaging waste, Lithuania still needs to invest an additional EUR 127 million (around 18.1 million per year) between 2021 and 2027 over baselines in collection, recycling reprocessors, biowaste treatment, waste sorting facilities and waste registry digitalisation. The costs of replacing biowaste treatment facilities (EUR 3.9 million in 2021-2027) are included in this amount, though it excludes the investment necessary for other key waste streams (plastics, textiles, furniture) and to increase circularity and waste prevention across the economy.

### Biodiversity & ecosystems

Lithuania officially submitted the prioritised action framework (PAF) of Natura 2000 funding needs for 2021-2027 on 21 March 2022. According to the final version of the document the annual funding needs of the Natura 2000 network in Lithuania, together with its green infrastructure and funding needs for species amount to EUR 122 million a year. This excludes additional costs to implement the biodiversity strategy to 2030, including spending on increased protection and restoration.

The biggest financial needs relate to the management of grasslands, cross-cutting measures including site designation and management and prevention, mitigation or compensation of damage caused by protected species.

<sup>141</sup> International Institute for Applied Systems Analysis (IIASA), [Progress towards the achievement of the EU's air quality and emissions objectives](#), 2018.

<sup>142</sup> Covering the reductions of and the emission ceilings for 5 atmospheric pollutants, SO<sub>x</sub>, NO<sub>x</sub>, PM<sub>2.5</sub>, NH<sub>3</sub> and VOC by 2030, compared to 2005. Source: Progress towards the achievement of the EU's air quality and emissions objectives, IIASA 2018. (page 29). Requirements "[Directive \(EU\) 2016/2284](#).

<sup>143</sup> [COM\(2021\) 3 Final](#) and [Report Annex](#).

<sup>144</sup> OECD, [Financing Water Supply, Sanitation and Flood Protection: Challenges and Options](#), 2020.

<sup>145</sup> OECD, [Financing Water Supply, Sanitation and Flood Protection: Challenges and Options](#), 2020.

<sup>146</sup> OECD, [Lithuania- Country fact sheet- Financing Water Supply, Sanitation and Flood Protection](#).

<sup>147</sup> [WFD and FD Implementation Reports - Environment - European Commission \(europa.eu\)](#)

<sup>148</sup> Not yet evaluated

<sup>149</sup> European Commission, Directorate-General for Environment, Economic data related to the implementation of the WFD and the FD and the financing of measures : final report, Publications Office, 2021, <https://data.europa.eu/doi/10.2779/163850>.

<sup>150</sup> [WFD and FD Implementation Reports](#) – DG Environment – European Commission.

<sup>151</sup> European Commission, Directorate-General for Environment, [Economic data related to the implementation of the WFD and the FD and the financing of measures](#), Final report. Publications Office, 2021.

<sup>152</sup> OECD, [Financing a Water Secure Future](#), 2022.

## EU environmental funding 2014-2020

The MFF for 2014-2020 allocated almost EUR 960 billion (in commitments, 2011 prices)<sup>153</sup> for the EU to spend over this period. The commitment in this 2014-2020 MMF to the green transition included a 20% climate spending target. It also included funding opportunities for the environment, in particular under the European Structural and Investment (ESI) Funds<sup>154</sup>. The 2014-2020 MFF budget was subsequently topped up with over EUR 50 billion (in current prices) from the REACT-EU programme. for cohesion policy action against COVID-19<sup>155</sup>.

Lithuania received EUR 9.3 billion from the ESI Funds over 2014-2020 to invest in job creation and a sustainable and healthy European economy and environment. The planned direct environmental investment amounted to EUR 830.8 million with further EUR 611.5 million identified as indirect environmental investment value, totalling to EUR 1.4 billion. Figure 41 shows an overview of (planned) individual ESI Funds earmarked for Lithuania (EU amounts, without national amounts).

Figure 40: ESI Funds allocated to Lithuania, including environmental investments, 2014-2020<sup>156</sup>

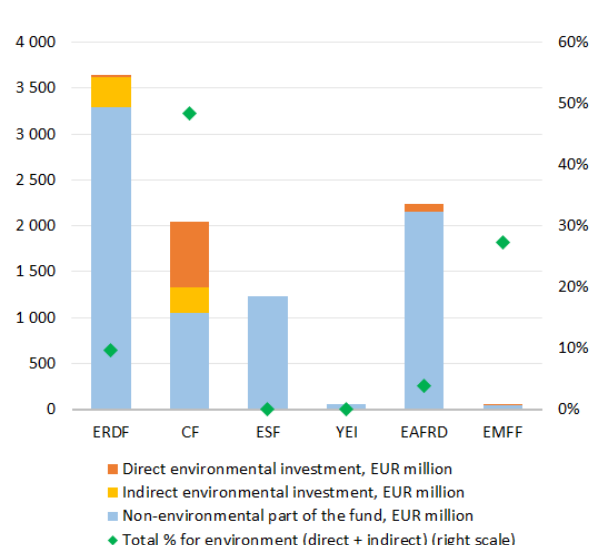


Table 2: Direct and indirect environmental investments under the ESI Funds in Lithuania, 2014-2020<sup>157</sup>

Instrument	Allocations for the environment (EUR million)
<b>Under Cohesion policy (ERDF + CF)</b>	<b>1 338.2</b>
<u>Direct environmental investments</u>	<u>731.0</u>
water	350.9
waste	155.7
air quality	14.3
biodiversity and nature	55.7
land rehabilitation	18.0
climate and risk management	136.4
<u>Indirect environmental investments</u>	<u>607.2</u>
renewable energy	80.1
energy efficiency	185.7
other energy <sup>158</sup>	53.6

<sup>153</sup> Council Regulation (EU, Euratom) No 1311/2013.

<sup>154</sup> The European Structural and Investment (ESI) Funds include the European Regional Development Fund (ERDF), the Cohesion Fund (CF), the European Social Fund (ESF) with the Youth Employment Initiative (YEI), the European Agricultural Fund for Rural Development (EAFRD) and the European Maritime and Fisheries Fund (EMFF).

<sup>155</sup> Regulation (EU) 2020/2221.

<sup>156</sup> European Commission, DG Environment - Data analysis, DG Environment analysis based on ESI Funds Open Data Portal (cohesiondata.ec.europa.eu), [Integration of environmental concerns in Cohesion Policy Funds \(COWI, 2017\)](#), [Regulation \(EU\) No 1303/2013](#), [Regulation \(EU\) 2021/1060](#) and [Implementing Regulation \(EU\) No 215/2014](#). Cut-off date for data: December 2021. Environmental investments here are captured via the combined use of intervention fields and coefficients under the Regulation (EU) No 1303/2013 and Regulation (EU) 2021/1060 allowing for a more precise identification and valuation of relevant environmental investments. N.B. Indirect environmental investments are valued using the Annex I environmental coefficients of the Regulation (EU) 2021/1060 (as opposed to full value).

<sup>157</sup> The values of environmental investments identified here in the specific environmental areas may differ from the tracking values at [cohesiondata.ec.europa.eu](#), e.g. for [clean air](#) or [biodiversity](#) due to two factors: the set of environmental coefficients used and the range of funds assessed. DG Environment's analysis here covered the full range of ESI Funds. See also previous footnote.

sustainable transport	188.2
sustainable tourism	32.3
business development, R&I	67.2
<b>Under EAFRD/rural development</b>	<b>86.8</b>
<u>Direct environmental investments</u>	<u>82.6</u>
climate and risk management	82.6
<u>Indirect environmental investments</u>	<u>4.1</u>
renewable energy	4.1
<b>Under EMFF</b>	<b>17.3</b>
<u>Direct environmental investments</u>	<u>17.2</u>
environment protection & resource efficiency	17.2
<u>Indirect environmental investments</u>	<u>0.1</u>
business development, R&I	0.1
<b>Under ESI Funds total</b>	<b>1 442.3</b>
Direct environmental investments	830.8
Indirect environmental investments	611.5

Funding for the environment from the ESI Funds has also been supplemented by other EU funding programmes available to all Member States such as the LIFE programme, Horizon 2020, and some European Investment Bank (EIB) loans that add up to an estimated total of EUR 1.6 billion of EU environmental financing for Lithuania in 2014-2020.

The LIFE programme<sup>159</sup> is entirely dedicated to environmental and climate objectives. It finances demonstration and best practice actions for green solutions to be deployed. In the 2014-2020 period, Lithuania received EU support for seven LIFE projects (for nature and environment) for an amount of EUR 24.6 million (out of 1 028 EU27 LIFE projects with a total EU contribution of EUR 1.74 billion)<sup>160</sup>.

In 2014-2020, Horizon 2020 allocated about EUR 3.6 million to Lithuania (in particular, for circular economy) which is about 3.8% of Lithuania's total allocation.<sup>161</sup> From the European Fund for Strategic Investments (EFSI), Lithuania received EUR 56 million for indirect environmental investments out of its total allocation (EUR 232.6 million)<sup>162</sup>. Lithuania received EUR 85.5 from the EIB for direct environmental investments, specifically, for waste) out of the total EIB loans for Lithuania (EUR

2.3 billion)<sup>163</sup>. The country ranks 20<sup>th</sup> in the EU in terms of total EIB lending.

In 2020, the EIB provided EUR 24.2 billion in funding across Europe to fight climate change at EU level, 37% of its total financing. It also provided EUR 1.8 billion (3% of its financing) for broader environmental lending and EUR 1.8 billion (3% of its financing) for the environment<sup>164,165</sup>.

## EU environmental funding 2021-2027

The 2020 European Green Deal investment plan calls for EUR 1 trillion in green investments (public and private) to be made across the EU by 2030. The 2021-2027 MFF and the NextGenerationEU spending programme will mobilise EUR 2.018 trillion (in current prices) to support the recovery from COVID-19 and the EU's long-term priorities, including environmental protection<sup>166</sup>. Following the EU Green Deal's<sup>167</sup> pledge to 'do no harm' and the Interinstitutional Agreement on the 2021-2027 MFF<sup>168</sup>, 30% of the EU budget in 2021-2027 will support climate efforts, while biodiversity will receive 7.5% of the EU budget as of 2024 and 10% as of 2026. To reach these targets, more financial resources will need to be allocated to biodiversity, specifically under the 2021-2027 cohesion policy and the 2023-2027 CAP to reach those targets.

Sustainable finance significantly increases transparency on environmental sustainability (a goal promoted by the EU Taxonomy)<sup>169</sup>. It also strengthens non-financial reporting requirements and facilitates the issuance of green bonds (by developing the EU green-bond standard)<sup>170</sup>. Reinforced by the renewed sustainable finance strategy (2020)<sup>171</sup> sustainable finance will increase investment flows to climate and the environment. The new strategy on adaptation to climate change<sup>172</sup> can help to close the insurance-protection gap, which currently leaves many risks from climate-related

<sup>163</sup> EIB loans in EU countries in 2014-2020. Source: EIB Open Data Portal: <https://www.eib.org/en/infocentre/eib-open-data.htm>

<sup>164</sup> The EIB Group jointly works with the European Commission in implementing several programs that finance environmental implementation: InvestEU, the successor of EFSI, Pillar II and III of the Just Transition Mechanism. The EIB Group stands as a key implementing partner for InvestEU with responsibility for managing 75% of the overall budgetary capacity of the mandate.

<sup>165</sup> [EIB 2021 Activity Report](#).

<sup>166</sup> European Commission, [2021-2027 long-term EU budget & NextGenerationEU](#).

<sup>167</sup> [COM/2019/640 final](#)

<sup>168</sup> [Interinstitutional Agreement, OJ L 433I](#)

<sup>169</sup> [https://ec.europa.eu/info/business-economy-euro/banking-and-finance/sustainable-finance/eu-taxonomy-sustainable-activities\\_en](https://ec.europa.eu/info/business-economy-euro/banking-and-finance/sustainable-finance/eu-taxonomy-sustainable-activities_en)

<sup>170</sup> [EU Green Bond Standard - 2021/0191 \(COD\)](#).

<sup>171</sup> COM (2021) 390 Final - European Commission, Strategy for Financing the Transition to a Sustainable Economy.

<sup>172</sup> [COM\(2021\) 82 final](#)

<sup>158</sup> Intelligent energy distribution systems (smart grids) and high efficiency co-generation and district heating, based on intervention field 53 and 54 respectively (with 40% environmental coefficients) of REGULATION (EU) 2021/1060, Annex I.

<sup>159</sup> European Commission, [LIFE Programme](#).

<sup>160</sup> [CINEA](#).

<sup>161</sup> Source: <https://sc5.easme-web.eu/>, accessed: 15-12-2021.

<sup>162</sup> Approved and signed EFSI financing - EIB, 2015-2020: Source: <https://www.eib.org/en/products/mandates-partnerships/efsi/index.htm>.

events uninsured<sup>173</sup>. The EIB will align 50% of its lending for climate and environment projects by 2025<sup>174</sup> with an EUR 250 billion contribution to the Green Deal Investment plan by 2027.

Table 3 gives an overview of the EU funds earmarked specifically for Lithuania for 2021-2027. These funds are also supplemented by other EU funding programmes available to all Member States.

**Table 3: Key 2021-2027 EU funds allocated to Lithuania (current prices), 2021-2027**

Instrument	Country funding allocation (million EUR)
<b>Cohesion policy</b>	<b>Total: 6 102.4<sup>175</sup></b>
ERDF	3 464.3
CF	1 418.7 <sup>176</sup>
ESF+	1 136.4
ETC (ERDF)	83 <sup>177</sup>
<b>Just Transition Fund</b>	<b>273.2<sup>178</sup></b>
<b>EAFRD/rural development under CAP Strategic Plans 2023-2027<sup>179</sup></b>	<b>977.5<sup>180</sup></b>
<b>European Maritime, Fisheries and Aquaculture Fund (EMFAF)</b>	<b>61.2<sup>181</sup></b>
<b>Recovery and Resilience Facility (RRF) 2021 – 2026<sup>182</sup></b>	<b>2 224.2<sup>183</sup> (grants)</b>

In Lithuania, programming for most of EU funds (cohesion policy funds, EAFRD and EMFAF) is

<sup>173</sup> The strategy would support improved insurance gap coverage including through the natural catastrophe markets as reflected with the EIOPA (the Association for European Insurance and Occupational Pension Authorities) dashboard on insurance protection gap for natural catastrophes. See: [The pilot dashboard on insurance protection gap for natural catastrophes | Europa \(europa.eu\)](#).

<sup>174</sup> EIB Climate Bank Roadmap 2021-2025, November 2020

<sup>175</sup> European Commission, [2021-2027 Cohesion policy EU budget allocations](#).

<sup>176</sup> The transfer to the Connecting Europe Facility (Transport) is not included.

<sup>177</sup> Interreg initial allocations per MS including ETC transnational and ETC cross-border co-operation.

<sup>178</sup> European Commission, [2021-2027 Cohesion policy EU budget allocations](#).

<sup>179</sup> European Commission, [CAP strategic plans](#).

<sup>180</sup> [Regulation \(EU\) 2021/2115](#), Annex XI.

<sup>181</sup> [Regulation \(EU\) 2021/1139](#), Annex V.

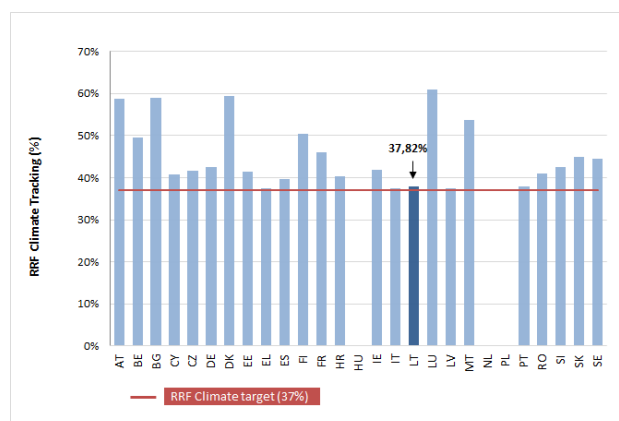
<sup>182</sup> The actual reforms and investments under the RRF have to be implemented until 31 December 2026.

<sup>183</sup> [Council Implementing Decision, FIN 565](#).

ongoing. However, the negotiations have been concluded under the RRF.

The RRF consists of 30 measures, covering investments and reforms supported by EUR 2.22 billion in grants. 37.8% of the plan will support climate objectives. Of the plan's fund allocation, 37.8% will go to support climate objectives. In terms of green transition, the plan includes EUR 218 million's worth of reforms and investments in energy efficiency renovations for a sustainable urban environment and EUR 242 million for the generation and storage of renewable energy. Furthermore, EUR 347 million will be invested in sustainable mobility, supporting the replacement of polluting road transport vehicles, improving public transport services, installing charging/refilling infrastructure for vehicles using alternative fuels, and developing alternative fuels sectors (biomethane, second generation liquid biofuels, hydrogen). The plan also supports the restoration of degraded peatlands (EUR 16 million) and increased resource efficiency through the adoption of the circular economy action plan<sup>184</sup>.

**Figure 41: Climate tagging in the RRFs<sup>185</sup>**



Under the NextGenerationEU, the Commission will issue up to EUR 250 billion of EU green bonds (one third of all bonds issued under NextGenerationEU) until 2026 that will comply with the general spirit of the 'do no significant harm' principle. However, this EUR 250 billion in green bonds will not be subject to the currently developed delegated acts related to the EU Taxonomy and will not fully align with the proposed EU standard for green bonds.

The EIB Group adopted the climate bank roadmap outlining the role of the institution in climate action and environmental sustainability for the next decade, and

<sup>184</sup> European Commission, [Lithuania recovery and resilience plan](#).

<sup>185</sup> European Commission. The contributions to climate objectives have been calculated using Annexes VI of the RRF Regulation [\(EU\) 2021/241](#).

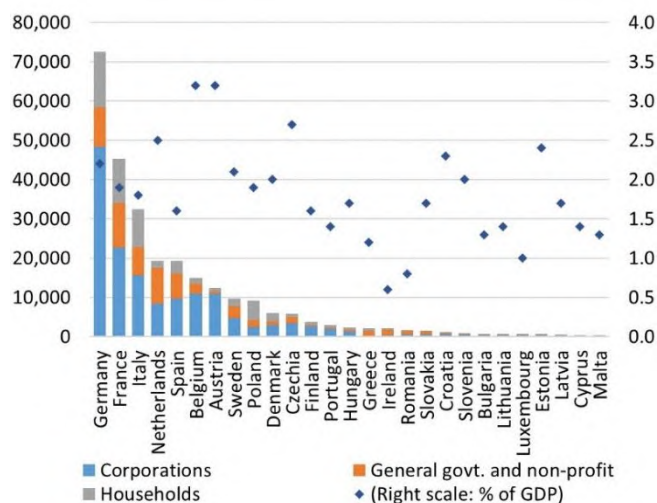
setting out to align 50% of its lending activity with that role by 2025. The EIB's contribution to the European Green Deal Investment Plan is expected to amount to around to EUR 250 billion up to 2027 in terms of investments in EU mandates (i.e. under EU instruments and through the EU budget).

### National environmental protection expenditure

Total expenditure on environmental protection (including all relevant current and capital expenditure)<sup>186</sup> in the EU-27 was EUR 272.6 billion in 2020, representing 2% of EU-27 GDP. This percentage has remained quite stable over time. Although the largest absolute amounts of expenditure are concentrated in a few countries, most countries spend 1-2% of their GDP on environmental protection, as is the case in Lithuania (1.4%).

Of this spending, the EU-27's capital expenditure on environmental protection (i.e., investment) amounted to EUR 56.3 billion in 2018, falling to EUR 54.5 billion in 2020, representing around 0.4% of EU-27 GDP. Most Member States invested 0.2-0.5% of their GDP in environmental protection, including Lithuania (0.3%). During 2014-2020, this amounted to around EUR 376 billion of environmental-investment in the EU-27, and to EUR 118.5 million for Lithuania.

**Figure 42: Direct and indirect environmental protection investments in the EU-27 (EUR million and % of GDP), 2018<sup>187</sup>**

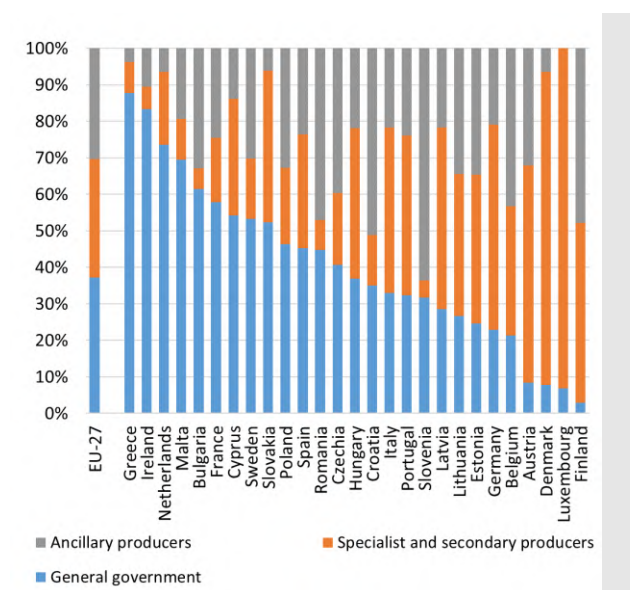


By institutional sector, around 27% of Lithuania's environmental protection investments (capital expenditure) came from the general government, a further 39% from specialist producers (of environmental protection services, e.g. waste and water companies) and 34% from the classical industry (or business) sector that normally pursues environmental activities as ancillary to their main activities. At EU level, 37% comes from governments, 33% from specialist producers and 30% from industry (business).

<sup>186</sup> At economy level, including final consumption, intermediate consumption and capital expenditure of households, corporations and governments related to environmental protection goods and services. It excludes EU funds, while may include some international expenditure beyond domestic. Data source: Environmental Protection Expenditure Accounts (EPEA), Eurostat. EPEA accounts are based on the [CEPA 2000 classification](#), excluding climate, energy and circular economy.

<sup>187</sup> Eurostat, [Environmental Protection Expenditure Account](#), 2021.

**Figure 43: EU-27 Member States' environmental protection investments (Capex) by institutional sectors (Total economy = 100%), 2018<sup>188</sup>**



A breakdown of investment by environmental topic is partially available, at the level of institutional sectors only (rather than at economy level), due to different reporting patterns<sup>189</sup>. At Lithuania's general government level, a significant proportion of Lithuania's general government investment in environmental protection, 42%, went to biodiversity protection, followed by waste management (17%) and air protection (15%). Of investment from the country's specialist producers, 58% went on wastewater, 30% on waste management and 12% on air protection. For Lithuania's industry (businesses), the two main priorities were wastewater (45%) and air protection (43%) to name the most significant areas.

In 2020, the total annual issuance of European green bonds (including some non-EU countries)<sup>190</sup> was USD 156 billion (EUR 137 billion)<sup>191</sup>, up from USD 117 billion (EUR 105 billion) in 2019. Looking only at

<sup>188</sup> Eurostat, Environmental Protection Expenditure Accounts (env\_epe).

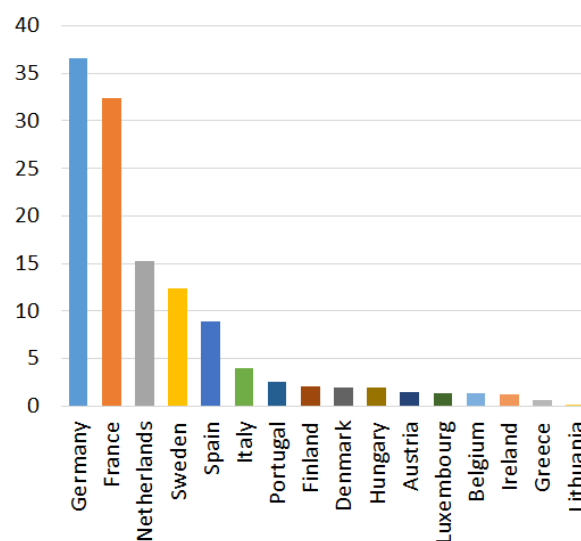
<sup>189</sup> Data reporting differs for the 3 institutional sectors, leading to aggregation difficulties. Specialist companies provide comprehensive data across all environmental areas (CEPA 1-9), while this is less the case for general government and industry that often report (the non-obligatory) data in merged categories only (with difficulty to split) or not at all.

<sup>190</sup> Green bonds were created to fund projects that have positive environmental and/or climate benefits. Most green bonds issued are green 'use of proceeds' or asset-linked bonds. The very first green bond was issued in 2007 with the AAA-rated issuance from multilateral institutions, the European Investment Bank (EIB) and the World Bank.

<sup>191</sup> At Eurostat's annual average EUR/USD exchange rates.

EU-27 Member States, green-bond issuance in 2020 was EUR 124 billion. In 2014-2020, 83% of the green bonds issued by European countries served objectives in energy, buildings or transport, while 8% supported water and waste, with a further 6% supporting sustainable land use, with links to ecosystem conservation and restoration. These data are based on the climate-bonds taxonomy, which is broadly similar to the EU Taxonomy<sup>192</sup>. Of the 2020 EU green-bond issuance, Lithuania accounted for EUR 46.3 million.

**Figure 44: Annual EU green bond issuance in 2020 (EUR billion)<sup>193</sup>**



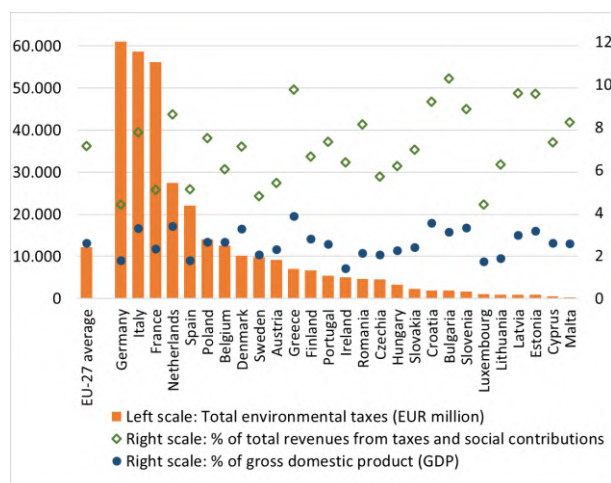
## Green budget tools

### Green taxation and tax reform

Lithuania revenue from environmentally-related taxes was still among the lowest in the EU in 2020 at around EUR 954.4 million, as shown in Figure 46. It accounted for just 1.93% of GDP (compared to the EU average of 2.24%). Within this, energy taxation represents the highest share with 90% in 2020, while transport tax accounts for 5.3% and pollution/resources tax for 4.6%.

<sup>192</sup> Interactive Data Platform at [www.climatebonds.net](http://www.climatebonds.net). Further information on Climate Bonds Taxonomy: <https://www.climatebonds.net/standard/taxonomy>.

<sup>193</sup> Climate Bonds Initiative, 2022.

Figure 45: Environmental taxes in the EU-27, 2020<sup>194</sup>

The 2019 European Green Deal underlines that well-designed tax reforms can boost economic growth and resilience, foster a fairer society and promote a just transition. Tax reforms can contribute to this by sending the right price signals and incentives to economic actors. The Green Deal creates the context for broad-based tax reforms, the removal of fossil fuel subsidies, and a shift in the tax burden from labour to pollution. It achieves this while simultaneously taking account of social considerations. The Green Deal promotes the ‘polluter-pays principle’<sup>195</sup>, which stipulates that polluter should bear the cost of measures to prevent, control and remedy pollution. The polluter-pays principle is facilitated by the European Commission’s Technical Support Instrument (TSI) flagship project on greening taxes<sup>196</sup>.

According to a Commission’s study on green taxation and other economic instruments (2021) Lithuania could increase the landfill tax to further address particular areas of environmental concern<sup>197</sup>. Lithuania could also consider introducing a scheme for biodiversity offsetting to improve the situation. To be economically efficient such a scheme must require offsetting payments at least equal in value to any ecosystem services which are lost<sup>198</sup>.

## Environmentally-harmful subsidies

Addressing and removing environmentally-harmful subsidies is a further step towards wider fiscal reforms.

Fossil fuel subsidies are costly for public budgets and make it difficult to achieve the Green Deal objectives. In many cases, these subsidies also counteract incentives for green investments. Annual fossil fuel subsidies have been around EUR 55 billion in the EU since 2015. They rose by 4% between 2015 and 2019, although some countries (such as Latvia, Lithuania, Sweden, Greece and Ireland) managed to decrease them in this period. In the EU, subsidies for petroleum products in sectors such as transport and agriculture continued to increase in 2015-2019. However, subsidies for coal and lignite decreased, due to the diminishing role of solid fuels in electricity generation. As a share of GDP, fossil fuel subsidies ranged from 1.2% in Hungary to less than 0.1% in Malta in 2019 (with an EU average of 0.4%). In 2019, total fossil fuel subsidies in Lithuania amounted to EUR 0.2 billion, or 0.37% of GDP.

In 2020, the EU-27’s total amount of fossil fuel subsidies decreased to EUR 52 billion (due to falling consumption trends amid the COVID-19-related restrictions). Without Member State actions, these subsidies are likely to rebound as economic activity picks up from 2020<sup>199</sup>.

However, Lithuania allocates more than the EU average to fossil fuel subsidies – and more than it does to renewable-energy subsidies<sup>200</sup>. Lithuania is planning to phase out environmentally-harmful subsidies for coal, gasoil and natural gas, as well as pollution tax reduction.

<sup>194</sup> Eurostat, Environmental taxes accounts (env\_eta).

<sup>195</sup> Article 191(2) of the Treaty on the Functioning of the European Union: ‘Union policy on the environment (...) shall be based on the precautionary principle and on the principles that preventive action should be taken, that environmental damage should as a priority be rectified at source and that the polluter should pay’.

<sup>196</sup> European Commission, [Greening taxes- applying polluter pays principle in practice, green budgeting TSI participation](#).

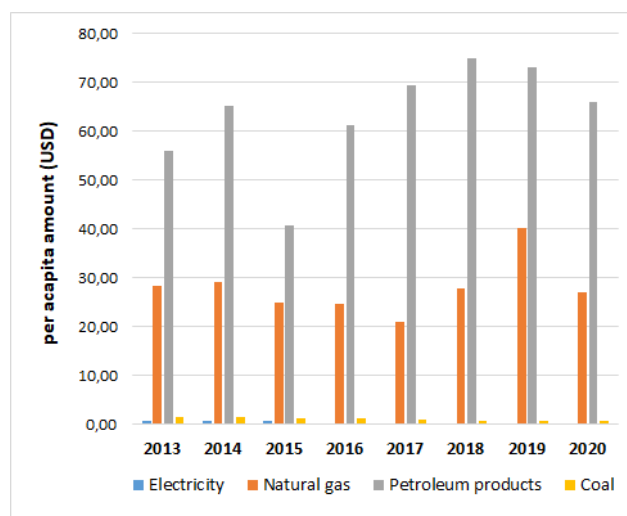
<sup>197</sup> European Commission, [Green taxation and other economic instruments](#), 2021.

<sup>198</sup> European Commission, [Ensuring that polluters pay Lithuania](#).

<sup>199</sup> See [table on EU FFS data in 2019](#) which is based on (for info) COM(2021) 950 and Annex.

<sup>200</sup> European Court of Auditors, [Energy taxation, carbon pricing and energy subsidies](#), 2022.

**Figure 46: Trends in natural gas, petroleum products, electricity and coal subsidies in Lithuania<sup>201</sup>**



% GDP	2013	2014	2015	2016	2017	2018	2019	2020
Electricity	0,00	0,00	0,01	0,00	0,00	0,00	0,00	0,00
Natural gas	0,18	0,18	0,18	0,17	0,13	0,14	0,20	0,13
Petroleum	0,36	0,40	0,29	0,41	0,41	0,39	0,37	0,32
Coal	0,01	0,01	0,01	0,01	0,01	0,00	0,00	0,00

### Current green budgeting practices

Green budgeting encompasses various climate and environmental tagging and tracking practices in budgets. Some EU Member states already use

certain green-budgeting practices<sup>202</sup>. Green budgeting helps identify and track green expenditure and green revenues to increase transparency on the environmental implications of budgetary policies. This is aimed at improving policy coherence and supporting green policies (including climate and environmental objectives)<sup>203</sup>.

The Commission has also drawn up climate-proofing and sustainability-proofing guidance as tools to assess project eligibility and a project's compliance with environmental legislation and criteria<sup>204</sup>. The Commission developed a green budgeting reference framework<sup>205</sup> and launched a TSI project on green budgeting in 2021 to help Member States develop national green budgeting frameworks to

<sup>201</sup> OECD, [Fossil fuel Subsidy Tracker](#).

<sup>202</sup> European Commission, [Green Budgeting Practices in the EU: A First Review](#), 2021.

<sup>203</sup> European Commission, [European Commission Green Budgeting Reference Framework](#). European Commission, [Green Budgeting in the EU Key insights from the 2021 Commission survey](#).

<sup>204</sup> European Commission, [Technical guidance on sustainability proofing for the InvestEU Fund](#).

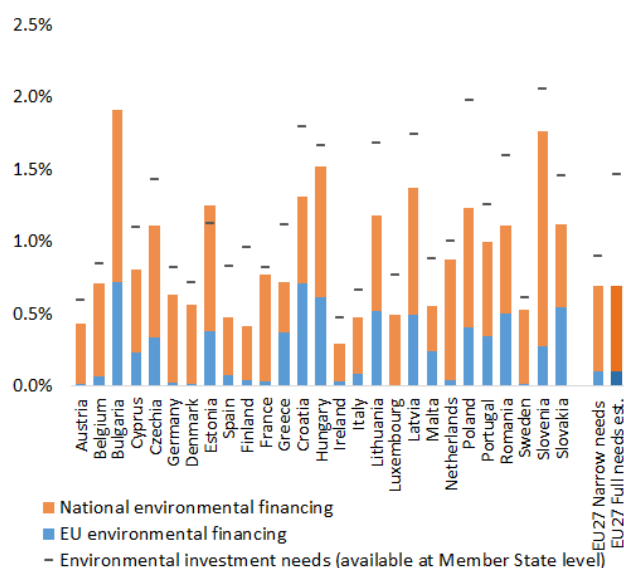
<sup>205</sup> European Commission, Green Budgeting Reference Framework, based on the review of the OECD Paris Collaborative on Green Budgeting initiative, 2017.

improve policy coherence and the green transition. Lithuania participates in the Commission's green budgeting TSI project, which started in 2021.

### Overall financing compared to the needs

The overall financing for environmental investments is estimated to have reached 0.6-0.7% of GDP in 2014-2020 comprising both major EU funds and national financing. This ranged from 0.23% (Ireland) to 1.7% (Bulgaria), depending on the level of environmental challenges in different Member States. In 2021-2027, it is estimated that the EU's environmental-investment needs will reach 0.9-1.5% of projected GDP (2021-2027), suggesting a potential environmental financing gap of 0.6-0.8% of GDP at EU level, compared to previous financing levels and patterns assumed<sup>206</sup>.

**Figure 47: Total environmental financing baseline (2014-2020) and estimated needs (2020-2030) in the EU27 (% of GDP)<sup>207</sup>**



<sup>206</sup> Source: DG Environment data analysis. EU financing sources covered: ESI Funds (ERDF, CF, ESF, YEI, EAFRD, EMFF), Horizon 2020, LIFE, EFSI (EU amount), EIB loans. National financing: total national environmental protection capital expenditure (investments) - source: Eurostat EPEA dataset. Cut-off date for data: end 2021. N.B. The total financing may be higher, in particular through further indirect investments, requiring further analysis in the future.

<sup>207</sup> Eurostat, [ESI Funds Open Data](#), 2021.

Lithuania's overall environmental financing for investments is estimated to have been 1.18% of GDP (above the EU average of 0.7%) in 2014-2020, from a balanced combination of EU and national sources. Environmental-investment needs for 2021-2027 are expected to be over 1.68% of the country's GDP (reflecting needs where country-level breakdown is available), suggesting a potential environmental financing gap of at least 0.5% of GDP, likely higher when also accounting for needs estimated currently at EU-level only (e.g. water protection, circularity, biodiversity strategy etc.) – to be addressed through additional environmental financing measures.

### 2022 priority actions

- Devise an environmental financing strategy to maximise opportunities for closing environmental implementation gaps, bringing together all relevant administrative levels.
- Increase financing for the environment, in particular from private sources (currently around 33%), to cover investment needs across the environmental objectives and preventing or closing investment gaps.

## 6. Environmental governance

### Information, public participation and access to justice

Citizens can more effectively protect the environment if they can rely on the three 'pillars' of the Aarhus Convention:

- (i) access to information;
- (ii) public participation in decision-making;
- (iii) access to justice in environmental matters.

It is of crucial importance to public authorities, the public and businesses that environmental information is shared efficiently and effectively<sup>208</sup>. Public participation allows authorities to make decisions that take public concerns into account. Access to justice is a set of guarantees that allows citizens and NGOs to use national courts to protect the environment<sup>209</sup>. It includes the right to bring legal challenges ('legal standing')<sup>210</sup>.

#### Environmental information

This section focuses on the Lithuania's implementation of the INSPIRE<sup>211</sup> Directive. The INSPIRE Directive aims to establish European spatial data infrastructure for sharing environmental spatial information between public authorities across Europe, assisting in policymaking across borders and facilitating public access to this information. Geographic information is needed for good governance at all levels and should be readily and transparently available.

As part of a general compliance promotion exercise on the accessibility of priority data sets for reporting, a letter of formal notice was sent to Lithuania on 8 March 2019. Lithuania has responded well and has significantly improved its implementation.

Lithuania's implementation of the INSPIRE Directive is good. Its performance has been reviewed based on its

<sup>208</sup> The Aarhus Convention, the Access to Environmental Information Directive (Directive 2003/4/EC) and the INSPIRE Directive, (Directive 2007/2/EC) together create a legal foundation for the sharing of environmental information between public authorities and with the public. This EIR focuses on implementation of the INSPIRE Directive.

<sup>209</sup> The guarantees are explained in Commission Notice on access to justice in environmental matters, OJ L 275, 18.8.2017 and a related citizen's guide.

<sup>210</sup> This EIR report focuses on measures taken by the Member State to guarantee access to justice, legal standing and to overcome other major barriers to bringing cases on nature and air pollution.

<sup>211</sup> INSPIRE - infrastructure for spatial information in the European Community

2021 country fiche<sup>212</sup>. Good progress has been made on identifying data and documentation. Table 4: Country dashboard on the implementation of the INSPIRE Directive, 2016-2020<sup>213</sup>

	2016	2020	Legend
<b>Effective coordination and data sharing</b>			
Ensure effective coordination	■	■	■ Implementation of this provision is well advanced or (nearly) completed. Outstanding issues are minor and can be addressed easily. Percentage: >89%
Data sharing without obstacle	■	■	
<b>INSPIRE performance indicators</b>			
i. Conformity of metadata	■	■	■ Implementation of this provision has started and made some or substantial progress but is still not close to be complete. Percentage: 31–89%
ii. Conformity of spatial data sets <sup>214</sup>	■	■	
iii. Accessibility of spatial data sets through view and download services	■	■	■ Implementation of this provision is falling significantly behind or has not even started. Serious efforts are necessary to close implementation gap. Percentage: <31%
iv. Conformity of network services	■	■	

#### Public participation

Information on environment impact assessment (EIA) procedures and their results is available on the Environmental Protection Agency website<sup>215</sup>, including not only decisions, but information on meetings of relevant authorities. Consultation documents (such as proposals and comments) are reflected in decisions, protocols on EIA documentation and in a final EIA report. In 2020, EIA procedures<sup>216</sup> were amended. The new

<sup>212</sup> <https://inspire.ec.europa.eu/INSPIRE-in-your-Country/LT>

<sup>213</sup> INSPIRE [knowledge base](#)

<sup>214</sup> The deadlines for implementation of the spatial data interoperability were in 2016 still in the future: 23/11/2017 for Annex I data and 21/10/2020 for Annex II and III data. It must be also considered that this conformity indicator will in many cases never reach 100% conformity as majority of the countries provide as-is-data sets in addition to the INSPIRE harmonised data sets.

<sup>215</sup> See [Environmental Protection Agency website](#)

<sup>216</sup> Environmental Impact Assessment Procedures, (*Lietuvos Respublikos aplinkos ministro 2017 m. spalio 31 d. įsakymas Nr. D1-885 'Dėl*

provisions stipulated that information about EIA documentation must be published on the municipalities' website and that discussions on proposals and comments on EIA documentation may be held remotely when in-person meetings are not possible in an emergency situation.

However, there do not appear to be general information campaigns aimed at improving public awareness of, and participation in, EIA and strategic environmental assessment (SEA) processes. In addition, although the recent amendments might have improved levels of public participation in these processes, there is no publicly available statistical information supporting this.

Several issues around public involvement were noted in the conformity study on implementation of the EIA Directive into national law, several issues on public participation were observed. The main problems concerned the incomplete implementation of Articles 6(2)(c), 7(1), and 11(5).

The 2019 EIR recommended that Lithuania to facilitate public participation in the implementation of EU environmental legislation. Since 2019, Lithuania has made some progress on this issue.

### Access to justice

NGOs do not have to prove an interest when launching an environmental court case or in cases which have significant effects on the environment, but they do have to meet some conditions in connection with their legal status and operation.

The administrative courts review the procedural and substantive legality of all administrative decisions. The courts study the material, technical findings and calculations when they are considered as relevant to the decision. The court is obliged to participate „actively” in proceeding by asking for evidence, appointing witnesses, experts, etc. The court has no limits to its control. It can review all aspects of the contested decision.

The public and NGOs have experienced difficulties in mounting legal challenges in the courts relating to the environment in Lithuania. However, following an infringement procedure launched by the Commission, on 27 May 2021, the Lithuanian Parliament amended Article 112(1) of the Law on Administrative Proceedings. The amended law now gives affected members of the

*planuojamos ūkinės veiklos poveikio aplinkai vertinimo tvarkos aprašo patvirtinimo*), adopted by the Order No D1-885 of the Minister of Environment of 31 October 2017.

public the right to ask administrative courts to consider whether or not a regulatory administrative act relating to the environment complies with the law or with a regulatory act by the government. This law entered into force on 2 July 2021.

In 2019, priority actions were addressed to Lithuania on access to justice, in particular, to provide broader access to the public. Substantial progress appears to have been made.

### 2022 priority actions

- Improve access to spatial data and services by making stronger linkages between the federal INSPIRE website and regional portals, identify and document all spatial datasets required for the implementation of environmental law<sup>217</sup>, and make the data and documentation at least accessible 'as it is' to other public authorities and the public through the digital services provided for in the INSPIRE Directive.
- Provide better public information on access to justice rights, in particular by referring to the Commission eJustice fact sheets on access to justice in environmental matters on judicial and administrative websites<sup>218</sup>.
- Amend procedures on public information.
- Make a greater effort to inform environmental stakeholders about ways to enforce their environmental rights (in particular, on compliance, monitoring and participation).
- Assess the level of public engagement in the EIA and SEA processes and consider options for improving public participation.

### Compliance assurance

Environmental compliance assurance covers all the work undertaken by public authorities to ensure that industries, farmers and others fulfil obligations to protect water, air and nature, and manage waste<sup>219</sup>. It includes support measures provided by the authorities such as: (i) compliance promotion<sup>220</sup>;

<sup>217</sup> European Commission, [INSPIRE](#).

<sup>218</sup> [https://e-justice.europa.eu/content\\_access\\_to\\_justice\\_in\\_environmental\\_matters-300-en.do](https://e-justice.europa.eu/content_access_to_justice_in_environmental_matters-300-en.do)

<sup>219</sup> The concept is explained in detail in the Communication on 'EU actions to improve environmental compliance and governance' COM(2018) 10 and the related Commission Staff Working Document, SWD(2018)10.

<sup>220</sup> This EIR focuses on the help given to farmers to comply with nature and nitrates legislation.

(ii) inspections and other checks that they carry out, i.e., compliance monitoring<sup>221</sup>;

(iii) the steps that they take to stop breaches, impose sanctions and require damage to be remediated, i.e., enforcement<sup>222</sup>.

<sup>223</sup>. Citizen science and complaints enable authorities to better focus their efforts. Environmental liability<sup>224</sup> ensures that the polluter pays to remedy any damage.

### Compliance promotion and monitoring

As noted in the 2019 report, the website of the Ministry of Agriculture has a page with detailed information on what farmers can do to improve compliance with the Nitrates Directive<sup>225</sup>, including guidelines on fertilizer use and management of manure for livestock operations. There is less information targeted at farmers available on the Nature Directive, although the Ministry of the Environment website provides full information on legal requirements, and the national common agricultural policy paying agency provides a 39-page brochure on the good agricultural and environmental condition requirements. Information campaigns are more focused on broader public awareness issues.

Inspection plans, which are based on the risks associated with installations, are published annually<sup>226</sup>, and include general information on inspection results. Reports on inspections carried out are published on a quarterly basis but provide little detail. The annual plans and reports generally include very limited information, mainly indicating the number of inspections planned and carried out, without providing details on the inspection results.

### Complaint handling and citizen science

The Department of the Environment's website explains where to find information on cases of environmental law compliance<sup>227</sup>. While online tools are not prioritised, the public actively uses the Department's dedicated phone 'hotline' 24/7 to complain about environmental problems. The general emergency number 112 may now also be used for this purpose. Complaints can also be submitted in person, in writing, and by email. In addition, the national CAP paying agency allows for online or app-

based submission of environmental infringements in the agricultural sector.

While information on complaints processes is actively promoted, there appears to be little concerted use of data on citizen reports of environmental incidents, and no active policies on citizen science.

### Enforcement

The Lithuanian National Courts Administration publishes annual statistics of civil, criminal and administrative court cases<sup>228</sup>, including environmental cases. As regards administrative procedures, only general statistics are available, without detail on the specific environmental issues concerned. Data on criminal cases is provided for each article of the Criminal Code. The Environmental Protection Department provides information on individual cases (e.g. initiation of court proceedings; outcomes) on an ad hoc basis as well as a weekly overview of number of complaints and quarterly reports. The lack of systematic information on outcomes of cases, combined with the lack of detailed information on the outcome of inspections, makes it difficult to track the effectiveness of enforcement action in the field of environment.

Memorandums of understanding were adopted in 2019 between the Department of the Environmental Protection and, respectively, the Police Department<sup>229</sup> and the State Border Guard Service<sup>230</sup>. While the texts of these memorandums are not publicly available it is disclosed that they provide for coordination of activities, joint operations in preventing and investigating environmental offences, exchange of information on infringements and on legal and natural subjects, joint capacity building and education activities. Other memorandums of understanding signed by the Department of the Environmental Protection involve the State Territorial Planning and Construction Inspectorate and the State Forest Service, and discussions are in progress with other relevant public bodies. This represents a significant increase in official cooperation compared with the situation described in the previous EIR report.

### Environmental Liability Directive

There does not appear to be systematic information available, or published, on Environmental Liability Directive (ELD) cases. While the Ministry of the

<sup>221</sup> This EIR focuses on inspections of major industrial installations.

<sup>222</sup> This EIR focuses on the availability of enforcement data and coordination between authorities to tackle environmental crime.

<sup>223</sup> This EIR focuses on the availability of enforcement data and coordination between authorities to tackle environmental crime.

<sup>224</sup> The Environmental Liability Directive, 2004/35, creates the framework.

<sup>225</sup> The Ministry of Agriculture of the Republic of Lithuania, Implementation of Nitrates Directive.

<sup>226</sup> See <https://aad.lrv.lt/lt/administracine-informacija/ukio-subjektu-prieziura>

<sup>227</sup> See <https://aad.lrv.lt/lt/pranesk-apie-aplinkosauginius-pazeidimus>

<sup>228</sup> See <https://www.teismai.lt/lt/visuomenei-ir-ziniasklaidai/statistika/106>

<sup>229</sup> See <https://aad.lrv.lt/lt/nauijenos/pasirasyta-aplinkos-apsaugos-ir-policijos-departamento-bendradarbiavimo-sutartis>

Environment publishes ad hoc information, usually monthly, this is not systematised. There is no publicly available database on environmental incidents. Though, an interinstitutional secure system for criminal case management does exist, it is not specifically focused on environmental issues, and its information is not available to the public.

The 2019 EIR recommended that Lithuania to improve financial security for liabilities and ELD guidance and publish information on environmental damage. Since 2019, Lithuania has made some progress on those issues.

### 2022 priority actions

- Provide better public information on how to make complaints about environmental damage, compliance issues or how to enforce their environmental rights.
- Develop and implement a systematic approach towards existing environmental data that would not only link various types of environmental data with each other as well as with other types of data (e.g., geospatial data) but would also give environmental stakeholders easier access to the data.
- Publish detailed and structured information on the outcomes of enforcement action.
- Make information more available on follow-up to environmental incidents, including cases under the Environmental Liability Directive.

### Effectiveness of environmental administrations

Those involved in implementing environment legislation at EU, national, regional, and local levels need to have the knowledge, tools, and capacity to ensure that the legislation and the governance of the enforcement process bring about the intended benefits.

#### Administrative capacity and quality

Overall, the compliance of the Lithuanian legislation with EU environmental legislation is good. Once informed about existing non-compliance issues, Lithuania resolves them relatively quickly, often without a need to trigger enforcement action at EU level.

According to the 2021 Digital Economy and Society Index (DESI), Lithuania scores above average both on e-government and on the contribution made by

information and communication technology businesses to environmental sustainability.<sup>231</sup>

### Coordination and integration

The Commission encourages the streamlining of the environmental assessments to reduce duplication and avoid overlaps in environmental assessments applicable to projects. Moreover, streamlining helps to reduce unnecessary administrative burden and accelerates decision-making, provided it is done without compromising the quality of the environmental assessment procedure.

Lithuania has notified the Commission that the revised EIA Directive<sup>232</sup> has been implemented in national law. The Commission is currently checking that this implementation complies with EU law.

### Reforms through the Commission's technical support instrument (TSI)

The Commission supports environmental implementation and the green transition, not only through the EU financing programmes, but also granting technical assistance such as the TSI.

In 2020, the Commission's TSI supported a project in Lithuania on reform of the water supply and wastewater treatment sector through consolidation of utilities (to be completed in 2022). In 2021, Lithuania made two requests for support related to the reform of all economy sectors towards climate neutrality by 2050 and to the efficiency of construction supervision system.

### TAIEX EIR peer to peer projects

The Commission has launched the TAIEX EIR peer-to-peer tool to facilitate peer-to-peer learning between environmental authorities

In 2019, Lithuania participated in three multi-country TAIEX-EIR peer-to-peer workshops on: air pollution from household heating; the EU Timber Regulation for Nordic Baltic competent authorities and on Life cycle approach and circularity in policy and procurement planning. In 2021, Lithuania took part in two multi-country workshops: the first on ammonia reducing technology and measures, the second on zero pollution.

<sup>231</sup> DESI 2021

<sup>232</sup> Directive 2014/52/EU of 16 April 2014 amending Directive 2011/92/EU on the assessment of the effects of certain public and private projects on the environment.