

Regional Outlook 2019

LITHUANIA

Regional Development Policy in Lithuania

General policy approach

The Ministry of the Interior is in charge of regional policy, regional and local planning, and financial allocation of investments. The National Regional Development is a consultative body that meets at least yearly to take advisory decisions on important matters of regional policy. It consists of the Minister of Interior, vice-ministers of other ministries, heads of government agencies, representatives of subnational governments as well as business associations and labour unions. While its decisions are legally non-binding, the government generally adheres to them.



The Law on Regional Development defines the general framework for regional policy, including urban development. Its overarching objective is to reduce disparities across and within regions and to promote balanced and sustainable development throughout the country. The general framework for rural development is provided by the Law on Agriculture, Food Farming and Rural Development, which integrates national priorities and support mechanisms with support programmes by the European Union.

The inter-ministerial action plan "Regional Development" sets out the general scope and allocated financial resources for regional development projects that are funded by the government. Projects included in the action plan are subsequently elaborated in more detail in regional development plans and approved by regional development councils.

Recent policy changes

- The Regional Policy White Paper was approved in late 2017. It sets out the long-term (2030 horizon) national regional policy strategy and reform framework.
- Targeted support programmes for functional regions are being designed and linkages across territories are strengthened.
- The role of regional development councils has been strengthened by increasing their role in project selection (mainly related to EU-funded projects) as well as in the policy design and management of regional public service delivery systems.
- Greater incentives are provided for regional and local governments to attract investments and jobs. Regions outside of national hubs are targeted through business development and innovation support incentives.
- The administrative capacity of regional and local actors is being strengthened. Increased emphasis is being placed on evidence-based policies, including new monitoring and evaluation approaches through spatial data and big data.
- A new national comprehensive plan is expected to be approved in 2020 with the objective of ensuring the spatial cohesion of all national strategies. It will combine spatial, environmental, social and economic development strategies and formulate related objectives and policies.
- New bodies for inter-municipal co-operation in public service delivery are expected to be introduced between 2020 and 2023.

Institutional arrangements to prepare for global megatrends

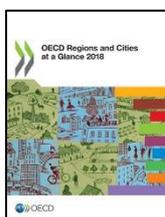
The Chancellery of the Government is responsible for strategic planning and the development of the overarching national policy plans, including the “National Progress Strategy”, the “National Progress Programme” and the “Priorities of the Government”. These documents provide some guidance on long-term priorities for regional development, but the detailed analysis on regional development is conducted by the Ministry of the Interior and at the local level. Due to the programme-based budgeting principle of the government, strategic documents are tied to budgetary cycles (three years for national programmes, seven years for EU programmes) and therefore focus on the short and medium term.

However, plans frequently include long-term forward-looking element, including a vision for 2050 in the forthcoming comprehensive plan as well as a ten-year action plan for the 2020-30 period. Likewise, other strategic documents, including the “National Regional Policy Priorities” and the “National Progress Programme” cover the 2020-30 period.

The drafting of national programmes and regional plans include a wide range of forward-looking analyses, including quantitative forecasts; strengths, weaknesses, opportunities and threats (SWOT) analysis; scenario analysis; and analysis of alternatives.

Looking for statistical information to complement this?

Take a look at our publication Regions and Cities at a Glance:



<https://oe.cd/pub/2n9>

OECD Regional Outlook 2019: Leveraging Megatrends for Cities and Rural Areas

The 2019 edition of the *OECD Regional Outlook* examines the regional dimensions of global megatrends and their implications for the well-being of people living in different places. It discusses how place-based policies, public investment and multi-level governance reforms can respond to these megatrends to revive productivity growth, reduce inequalities, improve quality of life and increase sustainability.

Consult the full publication and the other country profiles on line: <https://oe.cd/pub/2vq>.

