



LITHUANIA

OECD Global Action on Promoting Social and Solidarity Economy Ecosystems

Lithuania does not have a national framework around the social and solidarity economy (SSE). Data about SSE entities are therefore not easily available. One calculation provides that **15 791 non-profit organisations** as of 2020 employed **122 166 people**.

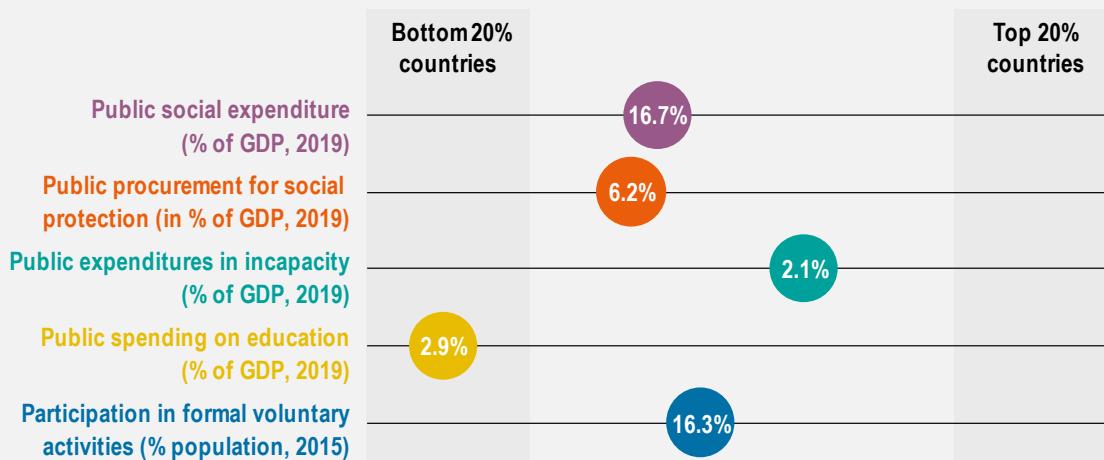
SOCIO-ECONOMIC INDICATORS

Lithuania is a unitary country and a member of the European Union. It is a high-income country with a very high human development level.

	GDP per capita	Labour force participation rate	Youth not in employment, education or training (NEET)	Poverty rate	Gini coefficient	Rural population	Stakeholder engagement for developing regulations
Lithuania	USD 48 397	78.6%	14.1%	14.1%	0.357 / 1	8.1%	2.4 / 4
OECD	USD 53 937	73.2%	14.8%	11.0%	0.313 / 1	23.1%	2.1 / 4

Note: Data from Lithuania refer to 2022, except for NEET (2021), poverty rate (2020), Gini coefficient (2020) and stakeholder engagement (2017). OECD data refer to 2022, except for poverty rate (2018), Gini coefficient (2020) and stakeholder engagement (2017). GDP per capita for OECD is an estimated value. See sources at the end of the document.

Country position in selected social indicators



Note: For each indicator, the position of the bubble on the line represents the country's ranking compared to OECD and EU countries. Higher rankings are on the right. The panel of countries for the international ranking can vary from an indicator to another due to data availability. See sources at the end of the document.

SOCIAL AND SOLIDARITY ECONOMY ECOSYSTEM

Definition of the social and solidarity economy in Lithuania

No official definition of the SSE is available in the country.

Institutional frameworks



Institutions

There is no dedicated public authority responsible for SSE development in the country yet. Different institutions may work on SSE topics as necessary including the Ministry of Economy and Innovation, the Ministry of Social Security and Labour, as well as the Ministry of Agriculture and the Ministry of Internal Affairs, among others. Municipalities are also key in supporting the social economy.



Legal instruments

There is no framework law around the SSE, but specific laws exist on its constituents, including the Law on Development of Non-Governmental Organisations, the Law on Associations, the Law on Cooperative Societies and others. There is also a "Conception of Social Businesses" to provide a definition for them along with the "Guidelines for Social Enterprise Projects".



Stakeholder engagement

Umbrella organisations represent specific parts of the SSE, such as the Lithuanian Association of Social Businesses, and the National and municipalities' NGO Councils.

Main figures

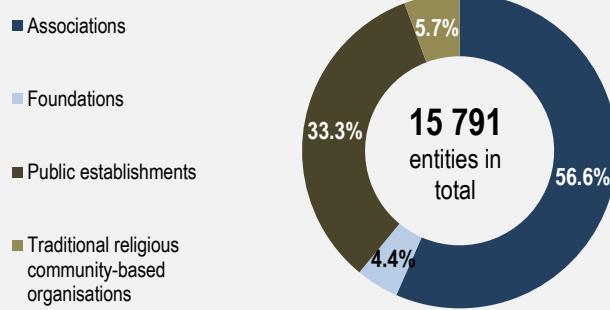
As of 2020, **15 791 non-profit entities** in Lithuania employ **122 166 people**. Majority of entities are registered as associations (56.6%), followed by foundations (33.3%). **100 social enterprises** operated in Lithuania in 2020. In 2022, there were **2489 NGOs** registered in Lithuania.

SCOPE

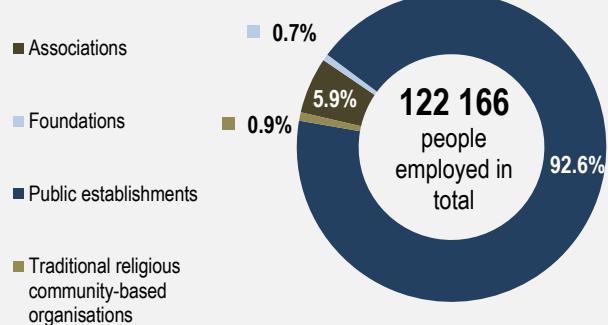
In the absence of an official definition of the SSE, data provided do not cover SSE entities *stricto sensu*. They pertain primarily to non-profit organisations and include entities that can be seen as primarily serving the general interest for the benefit of the community or addressing the social needs of individuals and/or groups. Data are not fully representative of the SSE space as there remain some elements that are part of the SSE which cannot be captured by the below data. Similarly, not all entities included in the data can be guaranteed to align with the SSE principles. It should be noted that data include entities that do not have sales revenue as well as non-active entities (which can lead to overestimated number of entities). The 2020 Law on development of non-governmental organisations established a legal status for NGOs. Data on NGOs only refer to registered entities.

SSE ENTITIES

Non-profit organisations (2020)



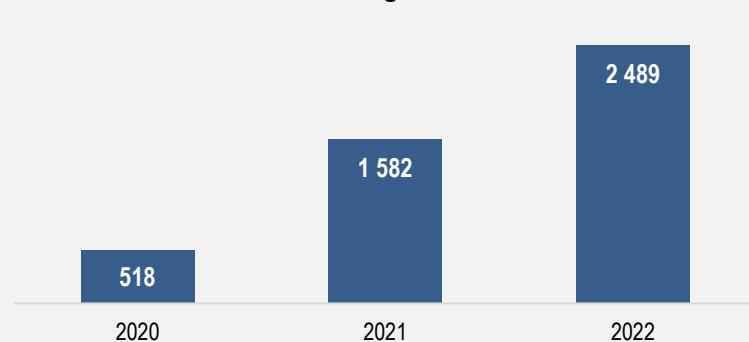
Employment in non-profit organisations (2020) (headcount)



Note: The data above on the number of SSE entities and employment are based on the calculations of NGO Information and Support Centre. The number of entities included may not represent the full picture of SSE entities, as some SSE entities may be excluded while others included in the data may not fully align with SSE principles in the absence of an official definition of SSE in the country. See sources at the end.

Note: A study by the NGO Information and Support Centre that focused on the number of active social economy entities defined as non-profit organisations with at least EUR 1 in sales revenues found that there were 6 000 such organisations in Lithuania in 2021. See sources at the end.

Number of registered NGOs



Note: The data on registered NGOs have been retrieved from the State Enterprise Centre of Registers (SECR).



Number of social enterprises operating (2020)

100

Legal frameworks

Legal frameworks to support the development of the SSE can be adopted at the national and subnational levels. They can regulate the SSE as a whole, or specific legal entities of the SSE (such as associations, cooperatives, mutual societies, foundations and social enterprises).

For the SSE	<i>Not available.</i>
For specific SSE entities at national level	<ul style="list-style-type: none">• Law on Development of Non-Governmental Organisations (2013) - Link• Law of Associations (2004) - Link• Law on Cooperative Societies (1993) - Link• Law of Charity and Sponsorship Foundations (1996) - Link• Law on Public Establishments (1996) - Link• Decree No.4-20 on the Ratification of the Conception of Social Business (2015) – Link

Note: The list above is not exhaustive of all existing legal frameworks around SSE in Lithuania.

Fiscal treatment

Different fiscal treatment can be established for the social and solidarity economy as a whole, or for specific SSE entities, at the national and subnational level.

Fiscal treatment of SSE entities	Fiscal treatment for contributors to the SSE
<ul style="list-style-type: none">• Public enterprises, associations and foundations with income less than EUR 300 000 are exempt from taxes for the first EUR 7 250 of profit and at a rate of 15% for any additional profits.• Value added tax (VAT) is not applied to any activities related to public benefit services.	<ul style="list-style-type: none">• Individual donors can allocate 1.2% of their income tax to an approved public benefit organisation.• Corporate donors may benefit from deductions for payments made for providing charity and/or sponsorship.

Note: The list above is not exhaustive. Information is retrieved from OECD desk research and "Relevant taxation frameworks for Social Economy Entities" published in 2023 by the European Commission.

Social impact measurement initiatives

Driven by a mission of social purpose, SSE entities are increasingly requested to demonstrate the positive value that they generate through their activities. Social impact measurement enables them to assess their positive contribution to society. A diverse range of possible initiatives are available to governments and practitioners to foster a social impact measurement culture.

 Policy framework	 Guidance-based initiatives
<ul style="list-style-type: none">• Conception on Social Business (2015) △ Ministry of Economy	<ul style="list-style-type: none">• Decree on guidelines for the implementation of social business within the programme means for the development of rural areas for the period 2014-2020 (2014) △ Ministry of Agriculture• Enterprise Lithuania Working Group △ Ministry of Economy and Innovation

Note: Policy frameworks create enabling conditions and set targeted incentives to conduct social impact measurement. Guidance-based initiatives deliver guidance on social impact measurement approaches, which are tailored to the specific needs of the social and solidarity economy.

FURTHER READING ON THE SSE IN LITHUANIA

[OECD: Boosting Social Entrepreneurship and Social Enterprise Development in Lithuania](#) | NGO Information and Support Center: Methodology for Assessing the Contribution of the Lithuanian Social Economy to the Country's GDP | [Diesis and Lietuvos Socialinio Verslo Asociacija: Pathways for development of Social Economy Ecosystem in Lithuania: Building on European experiences](#) | [Lithuanian Social Business Association: Feasibility study of social business development in Lithuania; Sociological Study: Economic, Social, Political and Legal Assumptions of Promoting Social Business in Lithuania](#) | [Adomaitytė-Subačienė, I., Girkontaitė, A., Petružytė, D., & Šumskienė, E. \(2020\). Lietuvos socialinio verslo pradininkų patirtys. Socialinė teorija, empirija, politika ir praktika, \(21\), 8-25.](#) | [SAFEGE Baltija: State of play of the social entrepreneurship sector: Report of the Interreg V-A Latvia-Lithuania Cross Border Cooperation Programme Region](#) | [Information and Support Center for Non-Governmental Organizations \(NIPC\): NGOs in Numbers](#) | [EU Social Economy Gateway - Lithuania](#)

DATA SOURCES

- Socio-economic data refer to 2022 unless stated otherwise, and relate to data downloaded as of 17 July 2023. Datasets used: GDP per capita, current PPP: OECD national accounts statistics, <https://doi.org/10.1787/na-data-en>; Labour force participation rate (15-64 year old): OECD Employment and Labour Market Statistics, <https://doi.org/10.1787/data-00310-en>; NEET (15-29 year olds, all levels of education): OECD Education at a Glance 2022, <https://doi.org/10.1787/19991487>; Poverty rate (after taxes and transfers, poverty line 50%): OECD Social and Welfare Statistics (database), <https://doi.org/10.1787/data-00654-en>; Gini coefficient (disposable income, post taxes and transfers): OECD Income Distribution Database, <https://www.oecd.org/social/income-distribution-database.htm>; Rural population (OECD): OECD, CFE Regions and Cities databases, <http://oe.cd/geostats>; Stakeholder engagement for developing regulations: OECD Better Life Index, <https://www.oecdbetterlifeindex.org/#/1111111111>; Public social expenditures: OECD Social Expenditure Database (SOCX), <http://dotstat.oecd.org/Index.aspx?QueryId=26920>; Share of public procurement for social protection (in % of total general government procurements): OECD (2022), "Government at a Glance - 2021 edition", <http://dotstat.oecd.org/Index.aspx?QueryId=107598>; Public spending on incapacity: OECD (2022); Public spending on incapacity (indicator), <https://doi.org/10.1787/f35b71ed-en> (Public spending on incapacity refers to spending due to sickness, disability and occupational injury); Spending on education (primary to tertiary level, in % of GDP): OECD Education Statistics (database), <https://doi.org/10.1787/c4e1b551-en>; Participation in formal voluntary activities (% of people): Eurostat table [ilc_scp19], based on the 2015 EU-SILC ad-hoc module.
- SSE data were collected through OECD questionnaire in May 2022. The data were provided by the Ministry of Economy and Innovation and Ministry of Social Security and Labour of Lithuania. The data on the number of non-profit organisations and employment are based on the [calculations by the NGO Information and Support Centre](#).
- Further information on the methodology followed in the country fact sheets can be found [here](#).

This document and any map included herein are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area.



Centre for Entrepreneurship, SMEs, Regions and Cities
Local Employment and Economic Development (LEED) Programme
Social Economy and Innovation Unit



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<https://www.oecd.org/cfe/leed/social-economy/>



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