

Final Report

Ex Ante Evaluation of  
the EQUAL  
Community Initiative  
Programme in  
Lithuania

January 2004



*Centre for*  
**Strategy & Evaluation**  
**Services**

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# INTRODUCTION

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This document contains the final ex-ante evaluation report of the EQUAL Community Initiative Programme. The assignment was carried out by the Centre for Strategy and Evaluation Services on behalf of the Ministry of Social Security and Labour (MoSSL) between October and December 2003.

## 1.1 Purpose of Ex Ante Evaluation of EQUAL

The specific objectives of the ex ante evaluation of EQUAL have been to:

- Assess whether the EQUAL programme is an appropriate means of addressing problems identified in the baseline assessment and objectives to be reached;
- Establish whether the CIP has well defined strategic axes, priorities and objectives;
- Contribute to the quantification of objectives, examine the appropriateness of proposed indicators and help establish an appropriate monitoring and evaluation framework;
- Examine the adequacy of implementation and monitoring arrangements.

In accordance with Article 41 of General Regulation 1260/99, an ex-ante assessment of the Community Initiative Programme must be undertaken and a summary included in the CIP. However, beyond fulfilling formal requirements, the ex ante evaluation exercise will contribute to improving the quality of programme documents by offering advice on specific issues – such as the selection of indicators and work to help develop a cogent and persuasive business case to engage the private sector in EQUAL and in Development Partnerships.

In addition to reviewing the draft CIP, we have held consultation meetings with key institutional stakeholders including the Ministry of Social Security and Labour and the Human Resource Development Programme Support Foundation (HRDPSF) to discuss key issues relating to programme design and implementation. Additionally, CSES' local expert has held a number of meetings with other relevant stakeholders – such as the Department for National Minorities to ascertain views on key ex-ante evaluation issues.

Following the submission of the EQUAL Community Initiative Programme for Lithuania to the Commission and submission of the draft ex-ante evaluation report in late October 2003 meetings between representatives of the Ministry of Social Security and Labour and representatives from DG Employment and Social Affairs took place in Brussels. On the basis of these discussions and CSES' interim ex-ante evaluation report, the Commission developed a "Road Map for Lithuania", which lists the Commission's recommendations as to how the EQUAL CIP for Lithuania should be further improved. On the basis of this Road Map, the Ministry of Social Security and Labour requested the EQUAL ex-ante

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evaluation team concentrate on the provision of technical assistance in revising the CIP rather than on undertaking substantive additional work on the evaluation itself. This approach was strongly supported by the Commission. Inputs from the ex-ante evaluation team are provided in Annex B to this report.

## 1.2 Background, Key Issues and Methodology

### 1.2.1 *The EQUAL Community Initiative - Background*

The EQUAL Community Initiative Programme is funded by the European Social Fund (ESF) and is designed both to test new ways of tackling discrimination and inequality in the workplace and to develop innovative solutions to eradicating obstacles to labour market participation faced by those seeking employment from disadvantaged groups. EQUAL is also designed to facilitate the integration of asylum seekers. In terms of funding levels at an EU level, during the 2000-06 programming period, the EU will contribute approximately €3bn to support the EQUAL initiative matched by national funding. EQUAL therefore represents an important opportunity to begin tackling some of the most pressing social exclusion problems facing Europe today.

EQUAL has a number of key principles which distinguish it from other types of measures that will be supported under mainstream Structural Funds programmes (Objective 1 in the case of Lithuania). EQUAL is first and foremost based on the principle of strategic partnership between key actors in the public, private and voluntary/community sectors. Partnerships are known as Development Partnerships (DPs) which can operate either on a sectoral or a territorial basis. Other key features include a strong thematic approach, a compulsory transnational dimension (which enables good practice sharing and provides European value added), innovation and the empowerment of participating actors. Other overriding principles are the emphasis placed on the effective dissemination of results and the importance of mainstreaming so that innovative practices to promote equal opportunities for all in the workplace can be embedded into national and EU employment policies and measures.

It is important to consider EQUAL in its wider European context. Activities supported under EQUAL are structured around the four pillars of the European Employment Strategy (EES): 1) Employability 2) Entrepreneurship 3) Adaptability and 4) Equal opportunities for women and men. The primary objectives of the EES are to:

- Achieve a high level of employment in the economy and for all groups in the labour market
- Move away from a passive fight against unemployment towards promoting sustained employability and job creation

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- Favour a new approach to work organisation in such a way that EU firms are able to cope with economic change while reconciling both security and adaptability, and allowing individuals to participate in life-long training
- Provide equal opportunities for everyone in the labour market to participate and have access to work.

It is also important to see the EQUAL programme in the wider policy context of Article 13 of the EC Treaty (which was included in the Treaty of Amsterdam). Article 13 deals with discrimination in all its forms. To date, two Commission Directives and a Community Action Programme to Combat Discrimination (2001-06) have been instituted as a direct result of the extension of Commission competency brought about by Article 13. An overview is set out below:

- Directive covering discrimination on grounds of racial or ethnic origin in a range of areas including employment and training, goods and services;
- Directive covering discrimination on grounds of age, disability, sexual orientation and religion or belief but limited to employment and training; and
- Action programme covering discrimination on all of the above mentioned grounds.

## 1.2.2 The EQUAL Community Initiative – Lithuanian Context

Around €14 million has been allocated to EQUAL in Lithuania over the 2004-06 period - €10.5 million from the EU and €3.5 million from national sources. There are three key thematic areas prioritised by the Lithuanian authorities, as set out in the table below:

<i>Table 1.1: Thematic Priorities – Lithuanian EQUAL Programme 2000-06</i>
<p><b>Theme A:</b> Facilitating access and return to the labour market for those who have difficulty in being integrated or reintegrated into a labour market which must be open to all.</p> <p><b>Theme G:</b> Reconciling family and professional life, as well as the re-integration of men and women who have left the labour market, by developing more flexible and effective forms of work organisation and support services.</p> <p><b>Theme I:</b> Helping the integration of asylum seekers</p>

Source: Draft CIP – 30.09.03, Ministry of Labour & Social Security

Lithuania will accede to the European Union on 1<sup>st</sup> May 2004 and will from that date be eligible to participate in the Structural Funds including the EQUAL Community Initiative Programme. At a European level, the first call for tenders under EQUAL was launched

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in 2001. It is envisaged that the second call for tenders will be launched in mid-2004. Lithuania intends to participate in the second call for tenders and it is envisaged that Development Partnerships (DPs) will receive funding from 1<sup>st</sup> January 2005.

While total financing under EQUAL is small compared with mainstream ESF measures under the 2004-06 Objective 1 programme in Lithuania (which, in common with EQUAL will also tackle inequalities and specific problems faced by disadvantaged social groups), the impacts are potentially significant - the Community Initiatives will serve as an important forum for testing and developing innovative new approaches to solving problems relating to discrimination in the workplace and wider social exclusion issues – approaches which may, if successful, be replicated under the mainstream Structural Funds Objective 1 programme in Lithuania over coming years.

### 1.2.3 Key Issues

Key issues in the implementation of EQUAL include the extent to which existing social partnerships in Lithuania supported under domestic or EU-financed pre-accession programmes (e.g. PHARE ESC and the ACCESS programme for NGOs) can be built upon as a platform to launch Development Partnerships funded under EQUAL. A second key issue is whether any key lessons can be learned from current initiatives that might help improve the effectiveness of the implementation of the EQUAL programme. A third key issue is how the transnational dimension can best be taken forward. Consideration will be need to be given as to which are the most appropriate countries/ regions across the EU for Development Partnerships in Lithuania to team up with. This will be dependent in turn on the particular thematic focus of each DP. Fourthly, with a relatively modest financial allocation, it will be important to ensure that available resources are not spread too thinly across different themes and target groups to have any real impact.

Last but not least, an important issue in undertaking the evaluation is the question of *internal coherence* i.e. the extent to which the baseline in the CIP is consistent with the three priority themes and the four actions. A second equally important issue is the question of *external coherence* i.e. the extent to which the three priorities are consistent with the EU and national policy context and whether or not there is scope for synergies between EQUAL and other EU and national supported programmes – the ESF dimension of the Objective 1 programme (and Measure 3 in particular which focuses on tackling social exclusion) being an obvious one.

## 1.3 CSES Methodology

During the evaluation, CSES undertook a number of tasks in order to assess EQUAL programme documentation, which are set out in the table below:

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*Table 1.2: Key Tasks Ex-Ante Evaluation*

<i>Table 1.2: Key Tasks – Ex-Ante Evaluation of EQUAL</i>	
<b>Task 1:</b>	Finalised evaluation framework and undertake review of past programmes
<b>Task 2:</b>	Undertook assessment of SWOT analysis in CIP (if necessary, helping to improve existing work on SWOT by making direct inputs)
<b>Task 3:</b>	Undertook analysis of internal and external strategic coherence of CIP
<b>Task 4:</b>	Quantification of objectives
<b>Task 5:</b>	Undertook assessment of proposed performance measurement framework (including monitoring and evaluation arrangements)
<b>Task 6:</b>	Reviewed indicative financial allocation by Priority and Measure
<b>Task 7:</b>	Reviewed implementation arrangements
<b>Task 8:</b>	Produced final ex-ante report on the EQUAL Community Initiative Programme

In addition to carrying out the tasks set out above, CSES' methodological approach has also involved undertaking interviews with relevant key stakeholders. We interviewed the following organisations/ institutions:

*Table 1.3: Interviewees*

<ul style="list-style-type: none"> <li>• Ministry of Labour, Social Security and Labour – key officials responsible for EQUAL</li> <li>• Human Resource Development Programme Support Foundation (HRDPSF) – Director plus the unit dealing with EQUAL (we understand this will eventually have three people in it)</li> <li>• Members of the EQUAL Working Group</li> <li>• Vilnius Territorial Labour Exchange (TLE) – interviews with individuals responsible for promoting EQUAL at local level</li> <li>• Vilnius municipality, employment division</li> <li>• Panevežys labour market training and consulting service</li> <li>• National minorities' department under the Government</li> <li>• EC Delegation, Access manager</li> <li>• Ministry of Interior, Unit responsible for PHARE 2000 ESC</li> <li>• Some other key stakeholders, whom the ex-ante evaluation team has met in the partnership meetings organised by the Ministry of Social Security and Labour.</li> </ul>
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## 1.4 Structure of the Report

The report is structured as follows:

**Section 2:** Highlights lessons from past experience, provides comments on the baseline assessment and SWOT analysis, assesses proposed Priorities and Measures, examines the indicative financial allocation by action and by theme, assesses proposed implementation

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arrangements and examines the question of external coherence with domestic and EU policies and programmes; *and*

**Section 3:** Sets out Key Conclusions and Recommendations from the evaluation.

Additionally, we made substantive direct inputs to CIP programme documentation following a request from the Ministry of Social Security and Labour. These are included as an appendix – **Appendix B**. Our time inputs were concentrated on providing assistance with regard to direct inputs rather than making additional comments on the draft CIP.

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*In this section we review key ex ante evaluation issues. We start by considering lessons from previous experience and then move on to assessing the EQAUL CIP against the criteria outlined in the previous section.*

### 2.1 Lessons from Past Experience

At an EU level, the EQUAL programme builds on the work of the Community Initiatives ADAPT and EMPLOYMENT that were supported over the 1994-99 period. While the EQUAL approach is unique, there are similarities in terms of overriding objectives. ADAPT and EMPLOYMENT also sought to facilitate the labour market integration of disadvantaged groups or individuals through a partnership-based approach.

The Commission operates a database on ADAPT and EMPLOYMENT which highlights lessons learned and good practices from over 10,000 projects. Below we highlight critical success factors that determined the success of projects supported under the ADAPT and EMPLOYMENT programmes. It is likely that similar factors will apply under EQUAL.

*Table 2.1: Lessons from ADAPT and EMPLOYMENT (1994-99)*

<p><i>Successful projects.....</i></p> <ul style="list-style-type: none"> <li>• Built local/ regional partnerships, involving a range of key actors that facilitated labour market integration and job creation;</li> <li>• Used transnational cooperation to improve the quality of their results and to encourage innovative approaches;</li> <li>• Based their work on a clearly defined and agreed strategy, tackling current and future labour market and training problems;</li> <li>• Continuously monitored, evaluated and benchmarked their activities and results;</li> <li>• Managed to integrate their results into policies and practice (of political decision-makers, companies, social partners, and other key actors), by using effective dissemination tools and methods and by meeting labour market and policy demands.</li> </ul>
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*Source: Community Initiatives Unit, DG Employment and Social Affairs*

There are clearly valuable lessons to be derived from looking at lessons from past experience both from the previous programming period (1994-99) and from the implementation of the 2000-06 EQUAL programme in current EU-15 member states. Another important source of information is the EQUAL Common Database (ECDB) which contains information on all Development Partnerships being financed within the European Union. The database contains useful examples of partnerships presently in operation – and the types of stakeholders from the public, private and community sectors that are involved in EQUAL.

As well as looking at previous experience from EU15, there are also useful lessons that can be drawn from existing social partnership schemes supported in Lithuania - both

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domestic programmes such as the National Programme of 2001 – 2004 for Increasing Employment in the Republic of Lithuania and pre-accession programmes such as PHARE ESC.

Below we review experience under domestic and EU accession programmes:

There a number of working partnership arrangements dealing with the problems of disadvantaged individuals (and social groups) in the labour market. 46 territorial labour exchanges spread throughout Lithuania often assume central roles or at least are members of a number of partnerships. TLEs all have co-operation agreements with a wider range of organisations and institutions, including NGOs dealing with the problems of different disadvantaged groups (including the disabled, the over 55s, young people, ex-prisoners, national minorities, and women), municipalities, enterprises, and / or institutions providing social and Vocational and Education Training (VET) services.

These institutionalised partnerships are used to facilitate social adaptation and rehabilitation (e.g. directing clients to specialised service providers so that they can take the next steps towards integrating or reintegrating into the labour market), to increase employability and adaptability of target groups (e.g. vocational education and training), to guarantee job placements (e.g. subsidised employment schemes), to provide information and to monitor labour market trends and to utilise additional funding for local employment initiatives (e.g. employment programmes funded by municipalities). These partnerships, diverse in nature, provide useful examples of social partnership mechanisms already in operation in Lithuania and could be built upon when creating innovative new development partnerships (DPs) under EQUAL programme.

Important experiences have also been gained under the PHARE Economic and Social Cohesion (ESC) programme, which was initially piloted in three target regions (PHARE 2000 ESC) but has subsequently been extended to the whole of Lithuania. Projects financed under this programme (human resource development, vocational training measures with a particular focus on disadvantaged groups) have often been innovative drawing together new types of partnership structures involving a diverse range of key stakeholders that had not previously co-operated and collaborated together. Indeed, the degree of innovation was one of the formal selection criteria adopted in a very competitive selection procedure – since far more applications were received than had been anticipated.

Many of these new partnerships have applied for funding under PHARE ESC 2001 and hope to be able to develop new measures and methods of working together to counter social exclusion and discrimination. Study visits to other EU member states to facilitate the sharing and exchange of good practices, new contacts and partnership ties established with similar organisations on a transnational basis has been regarded as one of the main areas of value-added of PHARE. It is therefore likely that the transnational dimension of EQUAL will prove of great importance in terms of delivering value added.

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The PHARE ACCESS programme, a pre-accession instrument with an NGO-centred approach and a strong transnational dimension could be considered an important preparation ground for the EQUAL programme. It has provided support to Lithuanian NGOs working in the area of the social integration of marginalised and disadvantaged groups (minorities, disabled, street children, unemployed, alcohol and drug addicts in small towns and villages, prisoners, and HIV positive individuals). The transnational dimension is viewed as having been especially helpful in promoting greater co-operation and collaboration between partners in both EU-15 member states and the accession countries, and has made a positive contribution in terms of facilitating the development of innovative working methods.

Less positively, many PHARE projects have often lacked institutionalised continuity - the possibilities of mainstreaming new working methods and measures into domestic programmes has often therefore been limited.

The EQUAL programme should help to build on progress already made to date through national programmes and the pre-accession instruments with its agenda of piloting new and innovative measures and mainstreaming these into national employment and social inclusion policies.

## 2.2 Baseline Assessment and SWOT

### 2.2.1 Comments on Baseline Assessment

*Generally, the baseline assessment (section 2) covers most of the key issues that need to be incorporated into the CIP. However, there is scope for improvement. The addition of a SWOT table would be helpful. Secondly, while examples of partnership based projects targeting excluded/ disadvantaged social groups are provided, lessons from these as well as any results and impacts achieved should be drawn out. There are also a number of data gaps that need to be plugged or an explanation provided of reasons for absences.*

Section 2.1 provides general background information setting out key trends in the Lithuanian employment market (activity rates, unemployment levels, take-up of flexible working practices etc.). This is supported by a table outlining development disparities between Lithuania and the EU – based on data for 2001 and 2002. The conclusions section however would benefit from being rewritten. At present, a list of weaknesses in the Lithuanian Labour Market (see page 9 and 10<sup>1</sup>) is presented. In our view, it would be better if a summary of strengths and weaknesses, i.e. a SWOT table, were incorporated summarising the baseline situation. For example, in the case of women in the labour market, only weaknesses are presented (e.g. low levels of self-employment, low levels of

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<sup>1</sup> Please note that all page references in this version of the ex-ante report outlining CSES' comments refer to the 30.09.03 version of the EQUAL CIP which was the formal draft submitted to the Commission.

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part-time working). There are however clearly also strengths – high activity rates amongst women compared with the EU average and lower levels of unemployment amongst women than men – some of these issues were identified in the Joint Assessment of Employment Policy Priorities (JAP) undertaken jointly by MoSSL and DG EMPSON. A SWOT table would therefore help to present a more balanced picture.

Statements made in the summary of weaknesses (page 9 /10) are not always supported by the text which precedes it. There is therefore a danger that while plausible, some of these appear like value statements. The list of weaknesses needs to be backed up with supporting evidence in section 2.2.2 - examples include the ‘social exclusion of minorities’. On what evidence is this statement based?

There is some evidence of duplication in section 2.2.2. The text on page 8 duplicates that on page 7 relating to education and young people. ‘The level of education of the labour force in Lithuania is rather high, but the level of qualification among young persons is lower than among senior persons’. One or the other of these paragraphs should be deleted.

Section 2.3 provides baseline data with supporting analysis on inequality and discrimination in the Lithuanian labour market. The most important target groups – such as the disabled, the over 50s, young people, national minorities and asylum seekers etc. are all covered in this section. Broadly speaking, the text covers the relevant issues in terms of labour market obstacles faced by each group and issues around labour market integration / reintegration (in the case of those returning to employment) reasonably well. However, in a number of instances, the baseline analysis could be improved by drawing out lessons from examples of social partnership-based projects being supported under domestic / EU programmes in Lithuania that target disadvantaged or socially excluded groups. While a number of relevant examples of current or previous initiatives are provided, the text tends to be descriptive i.e. sets out the type of organisations involved but does not provide an outline of the results / impacts achieved to date and lessons that might be learned.

Lessons from previous experience should therefore be drawn out further. Examples of existing social partnership initiatives involving a diverse range of stakeholder institutions from the public, private and voluntary sectors should be set out since these will serve as a fundamental building block for the establishment of DPs. As well as focusing on positive experience, examples of any problems encountered in operating social partnerships could also be drawn out to help DPs avoid potential pitfalls.

It is notable from the baseline that there is in some instances an apparent absence of supporting data to back up / justify assertions made. It should be noted, however, that territorial labour exchanges while registering the unemployed do not collect personal data with regard to ex-prisoners, drug-addiction, nationality, religion or sexual orientation. This could be stated in the CIP – any data absences should be flagged up. As a possible

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solution for future programming periods, specialised surveys could be carried out to help identify the specific problems faced by disadvantaged groups where only very limited data is available.

*Below we outline specific comments in respect of section 2.3 in the baseline.*

The section looking at exclusion issues faced by the *disabled* would benefit from a brief description of the types of voluntary and community organisations that look after the interests of the disabled and any partnership arrangements in place. According to preliminary feedback with interviewees, organisations representing the disabled are generally well-organised compared with other disadvantaged groups. In addition to NGOs and umbrella organisations, there are a number of enterprises (often belonging to NGOs working with the disabled), where disabled people constitute over 50% of employees.

There is also a network of rehabilitation institutions, vocational training institutions, job centres, etc., which deal with the social integration of the disabled and support their return to the labour market. The above institutions have long lasting and extensive partnership arrangements with Territorial Labour Exchanges (TLEs), labour market training institutions, municipalities, etc. TLEs have separate units or at least separate staff with specialised training working with the integration of the disabled into the labour market. The disabled also receive special treatment in the labour market when compared with other disadvantaged groups – e.g. the subsidised employment programme pays the full minimum wage to those with a disability in employment for one year, which is twice as long as subsidised employment available to all other disadvantaged groups. In some territorial labour exchanges the disabled placed into subsidised employment schemes constitute more than 12 percent of the total number of people placed into these schemes. These issues could be brought out and accentuated in the descriptive analysis to provide a better overview of the baseline situation in respect of the disabled.

With regard to *‘persons of pre-retirement age’*, more careful consideration should be given to the analysis dealing with computer literacy of those over 55. The availability of courses in basic ICT skills seems to be adequate in Lithuania. The problems are more linked to the motivation levels to learn new ICT skills amongst the over 55s as well as the issue of cost. In 2002, the baseline states that *‘persons in pre-retirement age’* were most active in public works programmes. The percentage provided should be checked since the equivalent figure for the Vilnius Territorial Labour Exchange is only about 8%. Also, public works programme are not necessarily the most suitable type of employment for older workers – since it often requires physical labour working in an outdoor environment.

Age discrimination is often an obstacle to older people in trying to obtain an interview or to get a job. During 2002, the Ombudsman for Equal Opportunities among Women and

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Men identified and dealt with 126 discriminatory job advertisements, half of which were related to age. The remainder were related to discrimination on the grounds of gender. While there is a proposal that organisations for the over 55s could be skilled partners in developing special employment programmes, the degree of co-operation of territorial labour exchanges with such organisations (if any) has to date been largely symbolic in nature.

Finally Lithuania is a member of EURAG (European Union of an Aging Generation) – (page 13). What are the primary objectives of participating in this pan-European body and can any lessons / good practice examples be derived that might be applicable to setting up and operating the transnational partnership dimension of EQUAL?

With regard to *young people*, the analysis of specific groups facing problems in the labour market should be expanded. While orphans and rural youth lack qualifications, work-related skills and social skills, the overriding problem is lack of motivation, which is exacerbated by the negative social environment. However, many of the other groups of young people listed in the CIP in our view are not necessarily disadvantaged. Young people after military service as well as young people undergoing training have not previously been considered as disadvantaged groups according to an interview undertaken with the Vilnius Territorial Labour Exchange. While young families and teenage parents clearly face serious problems in accessing the labour market, while some job vacancies are available, for example in the sewing industry and retail sector, there are only limited part-time job opportunities available and there is an absence of flexible working arrangements.

Job Centres for young people have been established as separate specialised units of territorial labour exchanges. They have co-ordination councils composed of representatives of key stakeholders, co-operation agreements with numerous youth NGOs both in Lithuania and abroad. Job centres have also been active in the pre-accession programmes supporting human resource development. It would be useful to highlight some of these additional factual issues in the section dealing with young people.

With regard to “*ex-prisoners*”, TLEs located in the vicinity of prisons as well as Panevėžys Labour Market Training and Consulting Service work closely with prisons to rehabilitate former offenders, inform them about employment opportunities and prepare them for returning to the labour market. The problems around this disadvantaged group are particularly costly to society. Those prisoners carrying out lengthy sentences are clearly most vulnerable to social exclusion and exclusion from labour market participation on release since often their skills levels and qualifications are out of date by the time they are released. There are also clearly issues around developing the appropriate social skills and getting the necessary motivation and confidence to re-enter the labour

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market. As elsewhere in Europe, there are also major problems in relation to prisoners re-offending and a strong need to break the cycle of crime.

As described in the situation analysis, opportunities for education and work in prisons are still very limited. More analysis is needed however on the sorts of businesses that might employ prisoners both during their prison sentence and after their release. Clearly, employment has a potentially important role to play in helping to rehabilitate offenders. Partnership arrangements between prison authorities and general education, vocational training and higher education institutions should also be explored in the baseline. Additionally, there is at least one NGO that seeks to address problems faced by current and ex-prisoners – the Society for the Protection of Prisoners (“Kalinių globos draugija”).

With regard to *drug addiction*, a description of projects supported to date to help better understand drug addiction in Lithuania and help NGOs and health sector workers engage in more effective drug prevention activities and the rehabilitation of addicts is provided (page 16). The text states that these projects were mostly launched in 2000. An analysis of the main lessons to date from the implementation of these projects could however usefully be added. This should also outline the impact of projects supported to date.

Turning to the data provided in respect of *activity rates amongst minority groups* (page 16), there are certainly issues in terms of the higher level of unemployment of minorities in Lithuania as well as variance in labour participation rates *between* minorities. However, the analysis should be deepened and provide some explanatory factors which might help interpret the data. Firstly, are there other factors why minorities have lower participation rates than Lithuanians – for example, can participation rates be cross-referenced against age demographics? Are minorities concentrated more in rural than in urban areas or vice versa? Contextual data would help here.

Secondly, is there any evidence that might suggest factors other than the language issue and perceived discrimination in the labour market might explain variations in activity rates and unemployment between minority groups? For example, is the Russian population suffering disproportionately compared with other groups from an aging workforce – linked to historical factors stemming from the emigration of skilled Russian labour to Lithuania during Soviet times? Is the Polish population disproportionately based in rural areas where unemployment is higher and income levels lower? Are there different dynamics which might affect labour market trends affecting the Polish minority compared with the Russian minority? What are these factors?

The ex-ante evaluation team conducted an interview with officials from the Department for National Minorities and Lithuanians Living Abroad. Feedback received appears to contradict the conclusion that “national minorities are a discriminated group in the labour market”. At a policy level the Lithuanian Government implements anti-discrimination policies and the legal basis is already in place against many forms of discrimination.

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Draft legislation is now also in place to extend the competence of the Ombudsman for Equal Opportunities amongst Women and Men to outlaw discrimination on all other grounds (including nationality). This will empower the Equal Opportunities Ombudsman to monitor the implementation of equal opportunities and to analyse complaints concerning other forms of discrimination, which will provide reliable data, which is currently missing in Lithuania.

Factors suggested by the Department for National Minorities that might explain higher unemployment levels amongst national minorities are as follows:

- National minorities are concentrated in regions of Lithuania that are currently suffering from major economic downturns (such as Šalčininkai District and Visaginas City), which in general are relatively unattractive to private businesses.
- There are differences among nationalities in terms of the level of educational attainment. The data from the recent population census shows that some nationalities including Russians and Polish have relatively lower levels of education compared to other nationalities living in Lithuania. Lithuanians are not the most educated nationality in Lithuania either, but relatively better educated than say Russians.
- Fluency in Lithuanian is clearly an important factor. However, this is only relevant in certain professions, where language competency has particular importance. Knowledge of Lithuanian is generally lower amongst the older generation of non-Lithuanians and especially Russians.

The Roma community in Lithuania only has 2571 members. The problem of addressing labour market exclusion is extremely difficult - as is made clear in the baseline assessment. The Programme for the Integration of Roma into Lithuanian Society for 2000–04 has begun to make a positive contribution in terms of the integration of the Roma community. [Please note that in the current draft version of CIP the timescale for this programme is wrongly referred to as 2002–04]. Particular emphasis is placed on the education of the younger generation. The Department of National Minorities and Lithuanians Living Abroad is working closely with the Roma Community Centre and other Roma NGOs (16 in total) and territorial labour exchanges to help address social exclusion issues and promote access to employment. However, the work is particularly difficult due to closed nature of Roma community and the absence of role models and community leaders amongst the Roma Community - which are often present in other EU and accession countries.

The text on NGO organisations representing minority groups should be expanded. How will these organisations (potentially) play a role in the EQUAL programme? Secondly, it

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is unclear what the significance is of the final statement – that there are only ‘a few umbrella organisations in Lithuania’.

Turning to the issue of *asylum seekers*, (page 17/18) one of the mandatory themes under EQUAL, the text provides a detailed description of the current situation in respect of asylum seekers. However, an analysis of the potential impact of EU membership on Lithuania vis-à-vis asylum is currently absent. Lithuania will shortly become an EU external border – what impact, if any, is this likely to have on asylum trends and migratory flows? While most refugees in Lithuania are currently from Russia, will this change post-accession? Is Lithuania likely to be attractive to other groups? If yes, for what reasons? I

The text on *women in the labour market* broadly provides a good overview of the baseline situation. However, the fourth paragraph (page 19) would benefit from being reworded. As the text currently appears, this seems too much like a value statement without any empirical basis. The subsequent paragraph contains data on attitudes with regard to the role of women in the workplace, societal attitudes etc. This could usefully be brought forward so that paragraph four avoids appearing like a value statement. Finally, with regard to the statement that women earn 81% of the salaries that men earn, how does the income differential between men and women differ in Lithuania compared with the EU average?

Finally, it would be helpful if an additional sub-section were included in section 2 on the labour market after section 2.3 which summarised the main programmes currently being implemented in Lithuania (both domestic and European) that tackle social exclusion issues/ benefit disadvantaged groups. While examples of programmes are contained in section 2.2 and 2.3, it would be helpful if a summary of the main programmes as well as implementation arrangements adopted and how successful these have been. This text could highlight successful partnership mechanisms already in place that might serve as a forerunner to Development Partnerships under EQUAL.

### 2.2.2 Comments on SWOT

Section 2.2.3 contains conclusions in relation to the baseline assessment of labour market trends in Lithuania. At present, however, there is only a summary of the main weaknesses. It would be preferable if this summary also highlighted strengths. Once a SWOT is available, CSES will comment on this in the draft final version of the ex-ante report. With regard to the weaknesses currently set out, these seem broadly fine although in one or two instances, such as the statement that national minorities face social exclusion, this does not appear to be backed up with data or with any other empirical evidence in the text.

CSES will help work in conjunction with the Ministry of Labour to develop the SWOT drawing on our experience of EQUAL CIPs elsewhere across Europe.

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### 2.3 Priority Themes and Actions

#### 2.3.1 Priority Themes

Three themes will be supported under the Lithuanian EQUAL programme – theme A, *facilitating access and return to the labour market*, theme G, *reconciling work-life balance* and theme I, *helping the integration of asylum seekers*. The themes were chosen out of a selection of eight possible themes. The ninth theme, asylum seekers, was a mandatory requirement. The CIP provides a strategic rationale for the choice of themes and states that (page 29):

The priorities selected by Lithuania were the outcome of an analysis of inequality and discrimination in the labour market, identification of national and EU employment policy priorities and consultation procedures [.....] taking into consideration the main strategic employment policy documents: the 2001 – 2004 Programme on Increasing Employment in the Republic of Lithuania, Joint Assessment Paper on Priorities in Employment Policy of Lithuania, and the Lithuanian Joint Social Inclusion Memorandum alongside the Single Programming Document. [CIP, 30.09.03]

In our view, the choice of themes is appropriate and consistent with the wider national and European policy context. Below we examine each theme in turn:

**Theme A**, *facilitating access and return to the labour market* is consistent with both the baseline assessment which highlights the difficulties that both women ‘returners’ and the long-term unemployed face in returning to the labour market and with the wider policy context. The 2001-04 Programme on Increasing Employment (in Lithuania), for example, identifies the need to remove obstacles to labour market participation by disadvantaged groups in the Lithuanian labour market. An emphasis was placed in this document on promoting equal opportunities in the labour market for all – with a strong focus on the need to eradicate labour market obstacles.

With regard to **Theme G**, *reconciling work-life balance*, this is again consistent with wider national employment policy objectives. Both the Joint Assessment of Employment Policy Priorities in Lithuania and the Objective 1 SPD baseline highlight the low level of take-up of flexible working practices in Lithuania compared with the EU as a factor limiting increased participation in the labour market particularly by women with children. The more widespread adoption of flexible working practices should help to reconcile work-life balance particularly amongst Lithuanian women – where presently levels of part-time working are significantly below the EU average.

**Theme I**, *asylum seekers* is a mandatory theme therefore the question of its coherence with national policies is somewhat irrelevant. Nevertheless, given that Lithuania will upon accession become an external EU border, dealing with post-accession asylum issues in an effective way will be a very important issue. It is worth emphasising the importance of the EU policy context in relation to asylum – the European Commission has made moves towards a common EU asylum policy. In October 1999, EU leaders

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agreed that a set of commonly agreed basic rules and principles establishing a common European asylum system would be established. The Common European asylum system has been in motion since that date. It is anticipated that a first set of standards and measures will be adopted by May 2004.

### *2.3.2 Comments on Priorities and Measures*

With regard to Theme G, while the importance of encouraging the wider adoption by Lithuanian employers of flexible forms of working as a means of helping to reconcile work and family life is highlighted, in our view, the importance of increased and improved childcare provision in Lithuania as a means of facilitating increased levels of part-time and other flexible forms of working should be emphasised. At present, childcare is listed as one of the possible supported activities but the role of childcare in helping to provide women that have left the labour market to have children with new employment opportunities could be explored.

Turning to Theme I, asylum, the proposed means of tackling problems relating to asylum seekers, the need for education and training etc. seem well thought through. However, in our view references could usefully be made to the potential impact that EU membership will have on the asylum issue in a Lithuanian context. Secondly, Lithuania will become a new EU external border upon accession which could be explored in the text.

### *2.3.2 External Coherence of Priority Themes*

A requirement of ex-ante evaluation is to examine the question of external coherence i.e. the extent to which the two proposed priority themes plus one mandatory theme are coherent and consistent with national and EU policies and priorities. CSES has therefore assessed proposed priority themes against a number of strategy and policy documents and also looked at available material in respect of relevant national and EU programmes that will run alongside EQUAL such as the ESF dimension of mainstream Objective 1.

#### *2.3.2.1 EU policy Context*

At a European level, the *European Employment Strategy* (EES) and its four pillars (employability, adaptability, equal opportunities and entrepreneurship) are clearly of important relevance to EQUAL. The importance of EES is underlined in section 3.2 of the CIP along with a reference to the *European Employment Guidelines* and the horizontal objectives of the EES which guide member states in drawing up national employment action plans. There is an explanation (page 23) as to which themes set out in Lithuania's *National Employment Action Plan* will play an important thematic role in the implementation of EQUAL. These include 1) preventative actions 2) development of Human Resources and Lifelong Learning 3) Increasing labour force supply 4) gender equality and 5) labour market integration and actions against discrimination.

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In terms of how the priority themes fit in with the EES, Theme A will primarily help with regard to improving the employability of socially excluded groups through preventative actions to remove obstacles to labour market participation and through training and development, vocational guidance and careers counselling. Theme G will help both to improve employability and promote equal opportunities. With regard to *employability*, retraining activities will help those that have had a break from the labour market (for example, to bring up children) to reintegrate and find new employment opportunities. An emphasis on finding new solutions to childcare problems will help to improve *equal opportunities* for women. The emphasis on promoting flexible working will enable more women that are currently facing *de facto* exclusion from the labour market to find employment.

### 2.3.2.2 National Policy Context

Documentation at national level of relevance to EQUAL includes the *Joint Assessment of Employment Policy Priorities* (JAP, Feb 2002) undertaken between the Government of Lithuania and the European Commission (DG EMPSOC). An update on the implementation of the JAP was also undertaken and this document is also clearly of relevance. The JAP contains a detailed baseline assessment which corresponds broadly with the labour market trends identified in the CIP baseline. At a policy level, like the EES, it places a strong focus on the importance of developing a flexible labour market and promoting employment creation.

The *National Programme of 2001–2004 for Increasing Employment in the Republic of Lithuania* is also of relevance in this respect. Its objective is to significantly reduce unemployment in Lithuania (particularly long-term unemployment) and to substantially increase the proportion of unemployed participating in active labour market measures. Both these documents recognise that for progress to be made in terms of increasing participation rates, reducing long-term unemployment etc. a focus is needed on encouraging disadvantaged social groups or groups that face particular obstacles participating in the labour market to re-enter the labour market. '*Increasing the supply of the workforce*' identified in the National Employment Action Plan and cited as important for EQUAL, is particularly important against a background in Lithuania of declining activity levels and an aging population. Both strategies and their relevance are set out in section 3.2 and 3.3. of the CIP.

The *Joint Inclusion Memorandum (JIM)* is a Commission initiative in which Lithuania is participating. It is also of relevance to EQUAL in that its primary objectives are to combat poverty and alleviate social exclusion. There is a strong focus on employment as a means of increasing social inclusion and on the role of social dialogue and partnership in helping to initiate change. The JIM is rightly highlighted in the document as important in the context of EQUAL.

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Under Theme G, reconciling family and working life, there is a useful reference to a national document of relevance, the Joint Inclusion Memorandum of Lithuania which includes measures to reconcile work and family life. References are also made to the ADAPT and EMPLOYMENT programmes which operated in the 1994-99 period which addressed issues in the field of reconciling work with family life. The text on Theme I, asylum seekers, could benefit from a reference to the forthcoming EU Common asylum system and the fact that Lithuania will become a new EU external border upon accession.

### *2.3.2.3 Linkages and synergies with domestic and EU funded programmes*

It is clearly important that, in so far as possible, linkages and potential synergies between EQUAL and other EU funded and national programmes with similar or overlapping objectives are maximised. While the EQUAL approach is in many ways unique in that it serves as a testing ground for innovative ideas, other programmes have overlapping objectives or target similar social groups. For example, the National Law on the Unemployed provides special assistance to specific social groups in finding employment such as the disabled, the young and ex-prisoners. Employers participating in the scheme receive subsidies for providing employment to individuals from the aforementioned social groups.

The mainstream ESF Objective 1 programme will also benefit disadvantaged and socially excluded groups in Lithuania. Measure 3 under the Human Resource Development Priority in particular will benefit individuals from the following groups: women, the disabled, former prisoners, the over 50s, the under 25s. Under the Measure, training opportunities will be provided to improve employment prospects. Additionally, those that are interested in setting up their own business will be given advice and support. While Development Partnerships set up under EQUAL will provide an innovative institutional framework for tackling problems affecting disadvantaged groups in the workplace, there is clearly a strong rationale for ensuring that DPs encourage target groups to take full advantage of potential ESF funding available under Objective 1.

## **2.4 Proposed Financial Allocations**

### *2.4.1 Financial Allocation by Theme*

Section 4.3 sets out the financial allocation by Theme. The indicative financial allocation is that 69% of resources will be devoted to Theme A (facilitating access to labour market) 20% to Theme G (reconciling work-life balance) and 3% to Theme I (asylum seekers).

There is clearly a close correlation between the objectives of Theme A and Theme G – in other words, the development of more flexible forms of work organisation (Theme G) such as part-time working and the provision of support services such as childcare is essentially a pre-requisite for achieving many of the goals under Theme A – facilitating

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access to the labour market for those groups that for a complex variety of factors currently face difficulties.

Arguably, there could be more balance in resource allocation between the two priorities A and G in that the two are inter-dependent. market is also unclear why the allocation to asylum seekers is so low – at 3% - particularly since EU accession may lead to changes in asylum patterns in Lithuania which will shortly become a new external border. The key point is that the current section lacks a justification of the rationale for the division of resources. It would be beneficial if text outlining the Ministry of Labour’s thinking in terms of resource allocation between themes were added to the CIP.

An additional comment relates to the total financial allocation available under EQUAL. A common issue for all Community Initiatives is how to ensure that resources are not spread too thinly across themes/target groups given the relatively modest budget overall. An exploration of this issue highlighting the importance of maximizing synergies and linkages with mainstream ESF measures seeking to tackle social exclusion and remove labour market obstacles to disadvantaged groups would be useful in this section – this could be very short and should draw reader’s attention to the analysis already presented on linkages with the Objective 1 programme in section 3– page 27/ 28.

### 2.4.2 Financial Allocation by Action

Four Actions will be supported under EQUAL. A list of actions and the proportion of resources that will (indicatively) be allocated to each is set out in the table below:

*Table 2.2: Proposed Financial Allocations*

Action Description	Allocation (%)
Action 1: setting up Development Partnerships and transnational co-operation	5%
Action 2: implementing the work programmes of the Development Partnerships	70%
Action 3: thematic networking, dissemination of good practice and making an impact on national policy.	17%
Action 4: Technical Assistance to support actions 1, 2 and 3.	8%

Based on experience elsewhere, the proposed division of resources seems broadly appropriate. The proportion of resources devoted to Action 4, Technical assistance, is however, higher than normal under the CIPs – 8% instead of 5%. Our preliminary understanding is that this decision has been taken so that sufficient resources are available to hold a large number of seminars all over Lithuania to promote EQUAL. While it is clearly advantageous to promote EQUAL as widely as possible, there are clearly risks in prompting too many applications for DPs.

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Experience under PHARE ESC 2000 implemented by the Human Resource Development Programme Support Foundation (HRDPSF) has shown that there are potentially a large number of applicants for DPs and that given limited resources, there is a risk that there will be large numbers of disappointed applicants. This could potentially create an expectation gap if applicants expect their DP applications to be accepted and they are subsequently turned down. Lessons from PHARE ESC suggest that considerable emphasis should be placed by HRDPSF on managing the expectations of applicants – explaining how mistakes in applications can be avoided and the chance of having a DP successfully approved increased.

The description in Section 5.2 of the setting up of Development Partnerships and the transnational dimension of such partnerships (page 37/38) contains information on the composition of and requirements for the establishment of DPs and transnational partnerships. However, the text is rather generalist and high level. Ideally, this section would be more closely tailored to the Lithuanian context and illustrate the sorts of organisations from the public, private and voluntary sectors that might participate in DPs (e.g. LLEs, LMTA, prisons, youth organisations, NGOs representing the disabled, minority groups etc.) It might also list possible private sector participants. At present, there is very little in terms of ‘local flavour’ to this dimension of the CIP.

### 2.5 Quantification of Objectives/ Evaluation of Expected Impacts

Some projections were made in earlier versions of the CIP in relation to the number of DPs that are likely to be assisted. The projection made was that approximately 30 Development Partnerships might be set up of which 70% would be territorial based and 30% sectoral based. It is not clear on which basis these calculations were made – however, it is by no means easy to project the likely numbers of DPs.

One means of anticipating the likely number of DPs under EQUAL is to look at experience to date under PHARE ESC 2000 in terms of project applications received and projects approved – 39 projects out of over 200 applications were approved. It is not unreasonable, given the increased scale of resources, that many more projects will be supported under EQUAL than was possible under PHARE ESC 2000. A figure of 100 DPs does not look impossible to achieve – particularly since according to the HRDPSF many unsuccessful applicants for PHARE ESC 2000 may be interested in submitting a new, revised application under EQUAL. CSES will of course test the veracity of this assumption during the course of the assignment through the interview programme.

It is envisaged that indicators will be included in the Programme Complement so at this stage, an assessment cannot be carried out of the suitability of indicators and the proposed monitoring framework. Similarly, without full details on indicators it is not

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possible to undertake a full quantification of objectives. In conjunction with the twinning experts, CSES will help the MoSSL with regard to selecting appropriate indicators.

### 2.6 Programme Implementation Arrangements

#### 2.6.1 Proposed Implementation Arrangements

The Government Resolution setting out the administrative framework for Structural Fund programming, implementation, monitoring and control was adopted in early September 2003. The Resolution sets out the tasks and responsibilities of each institution participating in EQUAL as well as administrative procedures. The 30<sup>th</sup> September version of the CIP provides details of how the programme will be implemented which we summarise below:

- The **Managing Authority** for EQUAL for the 2004-06 period is the Ministry of Social Security and Labour. The Managing Authority will be responsible for carrying out the functions of the Managing Authority as set out in Regulation EC 1260/1999. These functions are set out in detail on page 41 of the CIP. As with ESF, the **Paying Authority** will be the Ministry of Finance.
- The Human Resource Development Programme Support Foundation (HRDPSF) will be the **Implementing Agency** for the EQUAL Community Initiative in Lithuania. The Agency will evaluate bids and submit project offers to the Project Selection Committee. Additionally, it will conclude contracts, control and approve payments and organise public information campaigns and facilitate the dissemination of results to stakeholders.
- A **Project Selection Committee** will also be formed based on the partnership principle to assess project applications based on selection criteria set by a monitoring committee. It is not entirely clear from the text the sorts of individuals/ institutions that might participate in the selection committee and the credentials requisite to participate on the committee. Some idea of the sorts of institutions envisaged would be useful – presumably actors such as the Lithuanian Labour Exchange may play a central role?
- The **Monitoring Committee** will determine the selection criteria on which applications from potential Development Partnerships will be selected. These criteria will be closely linked to the European Employment Strategy (EES) and to Lithuania's National Employment Action Plan.
- **Consultants** will be appointed in territorial labour exchange (TLEs) offices across Lithuania whose role will be to provide information and advice to EQUAL project applicants and to help develop project ideas based on an in-depth knowledge of local/ regional needs. Lithuanian Labour Exchange has already

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recommended to create ESF consultant's office within every one of the 46 territorial labour exchanges (TLEs).

TLEs are already members of numerous development partnerships and given their relative institutional strength are well placed to take a leading role in a number of EQUAL DPs. A consideration should be given to the potential conflict of interest problem, which would occur if TLEs were the monopoly consultation and information providers on EQUAL to competing DPs in the call for proposals procedure.

One problem associated with this approach is that while TLEs have an in-depth knowledge of issues relating to individuals, they are less knowledgeable about some of the other target groups that EQUAL focuses on – NGOs representing minorities for example as well as community and voluntary groups working with specific disadvantaged groups / communities. Finally, they are unlikely to have much knowledge in terms of other EQUAL related issues such as gender equality, equal opportunities, sexual orientation etc. It is not clear who will raise awareness of the possibilities for support for these target groups. One possibility would be to appoint 'Community Development Officers' to work directly with NGOs, Community Groups and the Voluntary Sector. These could be financed directly out of the Technical Assistance budget.

**Technical Assistance** will be provided by the Implementing Agency, the HRDPSF. This will include support for computerised monitoring, management information, audit and evaluation systems. Through the TA function, the HRDPSF will also establish support mechanisms to provide participants in the EQUAL programme e.g. Development Partnerships etc. with advice, guidance and support.

Finally, the networking, dissemination and mainstreaming dimensions of EQUAL will be under the responsibility of the Ministry of Finance, as the Managing Authority.

### *2.6.2 Comments on Proposed Implementation Arrangements*

Generally, proposed implementation arrangements appear robust. There is however a need for further clarification in some instances. For example, it is unclear whether the consultants from TLEs that will help project applicants with EQUAL applications will be funded out of TA from EQUAL or whether they will be funded directly by the TLE.

Also, while TLEs undoubtedly have good contacts with and knowledge of the needs of unemployed individuals, (the over 50s, the young, the long-term unemployed etc.) they have less extensive contacts with and knowledge of other groups that will potentially benefit from EQUAL such as pensioners, those with a different sexual orientation, national minorities etc. It is not clear how these target groups will be reached through the

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network of consultants and whether any other arrangements are foreseen to help target such groups and ensure their participation and engagement through DPs in EQUAL.

### 2.6.3 Additional Key Issues Relating to Implementation Arrangements

Existing examples of co-operation between the public and private sectors in domestic programmes in Lithuania/ the pre-accession instruments could be used as a model for EQUAL. Examples might include the Territorial Employment Initiative (national employment scheme in areas suffering from high unemployment) and the Lithuanian government's scheme to provide guaranteed employment to individuals from certain disadvantaged social groups (such as ex-prisoners, the disabled and the young unemployed) – the scheme involves co-operation between the Territorial Labour Exchange (TLE) and small and medium sized enterprises. Can anything be learned from the TLE's extensive contact with employers that could be channelled into EQUAL?

Further thought should be given as to *how* the public sector might attract private sector participation and continuing support during programme implementation. Experience in EU15 from the implementation of mainstream Structural Funds programmes as well as Community Initiative Programmes such as EQUAL suggests that there can be problems securing the engagement of the private sector. Secondly, there is a tendency for private sector interest to wane once a programme is underway.

Clearly, in order for EQUAL to operate effectively, the private sector must play a major role in helping to implement the programme – particularly given that the creation of new employment opportunities for individuals from disadvantaged social groups/ those facing obstacles to labour market participation was identified as the best means of promoting social inclusion in a number of Lithuanian national and European policy papers/ strategy documents. It is therefore essential that efforts are made to engage with the private sector and ensure that meaningful training and employment opportunities are provided. In our view, MOSSL should therefore commence work on developing a convincing business case for the private sector's involvement in EQUAL. A combination of business-based and social justice arguments might be put forward (e.g. through case study examples) setting out why businesses should participate in DPs as a means of encouraging other businesses to follow suit – this is not necessary for the purposes of CIP documentation but would be useful in helping to implement EQUAL. For example, it is clearly in business' interest to work to increase labour participation rates amongst the over 50s - in common with many EU15 countries, Lithuania faces aging demographics and there is only limited (skilled) labour supply. This issue should be further explored in the Programme Complement.

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While there is some previous experience of the private sector co-operating with the public sector to find employment for those from disadvantaged social groups such as the Lithuanian National Programme for the Unemployed, there is a danger that participating businesses will see the scheme as a means of obtaining cheap labour given that work placements are subsidised. The challenge for public policy makers such as MOSSL is to ensure that such schemes are perceived by employers as helping to secure competitive advantage rather than something they are obliged to do with no tangible business benefits.

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### 3.1 Conclusions and Recommendations

*Please note that conclusions and recommendations apply to the draft CIP dated 30<sup>th</sup> September 2003. The Ministry of Labour requested that during the latter stages of the evaluation, CSES made direct inputs to help improve the quality and robustness of programme documentation rather than undertook more work commenting on the new draft version of the CIP (this approach was strongly advocated and supported by DG EMPSOC at the European Commission).*

#### 3.1.1 Conclusions

*Internal Coherence:* Generally speaking, the CIP demonstrate a reasonable degree of internal coherence with some cross-referencing between sections particularly sections 2 (baseline assessment) 3 (EU and national policy context) and 4 (Priority Themes). The justification for the choice of themes could however be deepened. While there is an explanation of the consultation process that led to the selection of priority themes, there could usefully be closer linkages with problems identified in the baseline assessment.

The three proposed themes (one of which is mandatory – asylum seekers) appear to make strategic sense when assessed against the prevailing national policy context presented in the CIP. However, there are arguably other priority themes (such as Theme H *Reducing gender gaps and supporting job desegregation*, Theme E *Promoting lifelong learning and inclusive work practices* and Theme F *Supporting the adaptability of firms and employees to structural economic change*) that would also have been highly relevant to Lithuania's needs as identified in the baseline. A short explanation as to why Theme A and Theme G were regarded as higher in priority than other themes by key stakeholders would therefore be helpful – the current text simply states that stakeholders viewed these themes as more important without giving any reasons why. We assume that these issues were discussed in depth during the consultation process – the strategic rationale could therefore in our view be further drawn out.

*External Coherence:* There are useful references and linkages between the CIP, the choice of thematic priorities and the national and wider EU policy contexts. Labour market access issues and the need to encourage flexible forms of working (particularly to facilitate employment opportunities for women) are identified in a number of national strategy and policy documents as a key issue facing Lithuania.

*Baseline Assessment:* Steps could be taken to improve the analysis presented in the baseline, particularly in terms of supporting data. The baseline provides some useful information but could go into more detail in terms of domestic and pre-accession

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programmes to support particular social groups, lessons learned from these and any results/ impacts achieved. These are already referred to in some instances but more detail is needed.

Section 2.2 sets out general labour market trends while section 2.3 focuses specifically on inequality and discrimination in the workplace and examines the situation of different disadvantaged social groups that will be targeted under EQUAL. Where data or attitudinal studies are not available, the absence of data should be highlighted. Identifying gaps in available baseline data in respect of particular target groups will be an important first step towards understanding where additional research by MoSSL is needed in future.

*Policy Context:* The section dealing with the EU and national policy context is very detailed and provides a useful overview of how EQUAL will fit in with the wider policy framework. The role of mainstream ESF under the Objective 1 programme is also explored. The text outlining the ‘vision’ of the Objective 1 development strategy could however be removed – since it is not wholly relevant to EQUAL. If anything, this section is a little long in proportion to other sections.

*Financial Allocation:* Section 4.3 presents the division of resources between the three priority themes but does not currently provide an explanation of the strategic rationale behind the division of resources. In our view, it is essential that a justification for the split between priorities and the concentration of resources on Theme A (facilitating access to labour market) is provided so that key stakeholders and the Commission have a full understanding of the MoSSL’s strategic thinking in this respect. While a justification of the policy mix is already provided in section 4, a justification of the division of resources is also needed.

### *Actions under EQUAL*

In common with EQUAL programmes elsewhere, four actions will be funded under EQUAL – the setting up of Development Partnerships and transnational co-operation, implementing the work programmes of the DPs, thematic networking and dissemination of good practices, mainstreaming etc. and Technical Assistance. The text sets out in more detail an explanation of activities that will take place under each action as well as guidelines on what must be included in both the Development and Transnational partnership. There is an issue as to whether for the sake of conciseness, some of the text setting out Commission rules on partnerships agreements should go in the PC rather than in the CIP.

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The proposed approach in terms of actions follows a linear approach. The indicative allocation between actions also seems broadly consistent with practice elsewhere in EU15 although the proportion of resources dedicated to TA is marginally higher than usual (8% versus a more typical 5%). We understand this is because MoSSL wanted budgetary scope to carry out awareness raising seminars across Lithuania – this seems perfectly reasonable since there may well be a low level of awareness amongst potential stakeholders of the EQUAL programme. As discussed earlier there is however a need to be careful not to over-promote the EQUAL programme - given limited resources there is a risk that this may lead to large numbers of disappointed applicants as has been the case with PHARE ESC 2000.

### *Implementation Arrangements*

Proposed implementation arrangements appear generally robust. There is however a need for further clarification in some instances. For example, it is unclear whether the consultants from TLEs that will help project applicants with EQUAL applications will be funded out of TA from EQUAL or whether they will be funded directly by the TLE. Secondly, it is unclear precisely the sorts of organisations/ individuals that might be asked to participate on the Project Selection Committee (and indeed Monitoring Committee). It would be helpful to make some initial suggestions – at present, it is simply stipulated that these will be formed according to the partnership principle.

Another issue is that while TLEs undoubtedly have an in-depth knowledge of the needs of unemployed individuals, (especially the over 50s, the young, the long-term unemployed etc.) they in all likelihood will have less extensive knowledge of other groups that will potentially benefit from EQUAL such as pensioners, those with a different sexual orientation, national minorities etc. It is not entirely clear how these target groups will be reached through the network of TLE consultants and whether any other arrangements are foreseen to help target such groups and ensure their participation and engagement through DPs in EQUAL.

### *Quantification of Objectives*

Given that the ex-ante evaluation was only recently contracted and that indicators have yet to be devised (we understand that these will be developed for the programme complement), CSES has been unable to carry out a quantification of objectives at this stage. We will however look in more detail at this issue later in the assignment.

### *Evaluation and Monitoring Arrangements*

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It is at this stage difficult to draw conclusions in terms of evaluation and monitoring arrangements. CSES will hold supplementary discussions with MoSSL to see how it is envisaged that these will be rolled out and whether there is a possibility of combining the monitoring database that is currently under development for the Objective 1 programme can be adapted and utilised for the Community Initiative Programmes. The first step will be to examine proposed indicators in the PC and to comment on their appropriateness. The second step will be to help with regard to developing an overall monitoring framework.

### *3.1.2 Recommendations*

#### *Baseline Assessment*

If supplementary data is available to support assertions made in the baseline (which in some instances appear too much like value statements without empirical evidence to support them), this should be added. Where robust data / attitudinal studies to back up assertions made are not available, the absence of data should be highlighted.

Key lessons from previous experience should be drawn out further in the existing baseline analysis. Examples of existing social partnership initiatives involving stakeholder institutions (from the public, private and voluntary sectors) in Lithuania are already provided but an analysis of their effectiveness to date, results and impacts of projects supported etc. should be added. An additional sub-section after section 2.3 could be added to highlight examples of successful partnership mechanisms that might serve as good practice exemplars in setting up Development Partnerships.

#### *SWOT*

In our view, it would be helpful if a SWOT table were added to section 2.2.3 which currently only presents weaknesses of the Lithuanian labour market.

[CSES has produced a draft evidence-based SWOT analysis as a starting point that MoSSL can work with – as well as evidence-based SWOT focusing on different social groups that EQUAL will benefit. We have included this in Appendix A. CSES will provide more assistance in developing a SWOT for inclusion in the main CIP].

#### *Financial Allocation*

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The section currently lacks a justification of the rationale for the division of resources. It would be beneficial if text outlining the Ministry of Labour's thinking in terms of resource allocation between themes were added to the CIP.

### *Quantification of Objectives*

Clearly, work needs to be done in respect of indicators before CSES can attempt to quantify likely outcomes. It should be born in mind that because of the special nature of EQUAL, many outcomes are likely to be intangible in nature and will only be able to be assessed qualitatively.

### *Implementation Arrangements*

CSES recommends that the following issues are clarified:

- 1) Whether consultants from TLEs that will help project applicants with EQUAL applications will be funded out of TA or whether they will be funded directly by the TLE;
- 2) Which sorts of organisations/ individuals are likely to participate on the Project Selection Committee (and Monitoring Committee); and
- 3) How disadvantaged groups not covered by TLEs (e.g. minorities, pensioners, those with a different sexual orientation and groups that represent such individuals i.e. NGOs, and Community Groups) will be reached and made aware of the opportunities that the EQUAL programme potentially offers i.e. how will organisations representing these groups be targeted as potential participants in DPs?

### *Evaluation and Monitoring Arrangements*

CSES will discuss evaluation and monitoring arrangements in more detail with MoSSL before commenting on evaluation and monitoring. At this stage in the evaluation and in the development of the PC, it is difficult for an assessment to be carried out.

### *Development of a cogent, persuasive business case to help secure participation of the private sector*

In our view, one of the critical success factors to the successful implementation of the EQUAL programme will be the development of a cogent, persuasive business case that can be used as a tool by actors from EQUAL Development Partnerships for encouraging the participation and engagement of the Lithuanian private sector. In Western Europe, it is very common for companies to engage in Corporate Social Responsibility type

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# CONCLUSIONS & RECOMMENDATIONS

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# 3

activities as a business differentiator. The Business Case might use a combination of arguments – commercial, socio-legal and moral. On the business side, the business case might for example focus on potential supply side labour market shortages if Lithuania's GDP continues to grow and unemployment continues to fall. With regard to the socio-legal dimension, a case could be put together that emphasizes the importance of taking on board anti-discrimination in the workplace legislation and the potential legal and risk implications of not complying with the law. Other businesses might be persuaded by social justice and moral arguments.

# EVIDENCE-BASED SWOT TABLES

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### General evidence-based SWOT assessment based on baseline assessment - (Amended from Obj.1 ex-ante)

STRENGTHS	Evidence	Reference
Well educated workforce	<ul style="list-style-type: none"> <li>Over 80% of workforce have full secondary or higher education</li> <li>Very low unemployment rate (4.6%) of those with higher education</li> </ul>	Page 7
Framework for vocational training established	<ul style="list-style-type: none"> <li>Tripartite councils operating at regional and national levels</li> <li>Experts helping to develop vocational training</li> <li>Employers involved in syllabus development</li> <li>College sector created in 2000</li> <li>Extramural / adult education is expanding</li> <li>Network of labour exchanges</li> <li>14 special training centres to assist unemployed (training 20,000/year)</li> <li>Good legal basis for the development for the development of modern education system and social partnership</li> </ul>	Page 9
	<ul style="list-style-type: none"> <li>Wide network (46) territorial labour exchange with services well accessible to population, and skills / experience in implementing active labour market measures</li> </ul>	Page 8

WEAKNESSES	Evidence	Reference
The system of vocational training is not ready to address all issues related to access and quality and react adequately to structural changes in the economy	<ul style="list-style-type: none"> <li></li> </ul>	Page 9
High level of unskilled labour force (especially in the first and the second sectors), the structure of unemployment is dominated by long-term unemployed and young persons, slow development of non-traditional forms of employment, insufficient involvement of employers in dealing with unemployment issues and the development of needs for labour force.	<ul style="list-style-type: none"> <li></li> </ul>	Page 10
High structural and youth unemployment	<ul style="list-style-type: none"> <li>National unemployment up from 13.3% in 1998 to 17% in 2001, falling to</li> </ul>	

# EVIDENCE-BASED SWOT TABLES

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	<ul style="list-style-type: none"> <li>11.3% in 2002.</li> <li>Male and female unemployment levels exceed EU averages</li> <li>Youth unemployment (under 25 years old) far exceeds EU average (29% in 2000 as opposed to 16.1% in EU)</li> <li>Low levels of self employment compared to EU averages, across all sectors</li> </ul>	
Skills shortages and gaps, especially amongst young	<ul style="list-style-type: none"> <li>68% of unemployed categorised as 'unskilled'</li> <li>High drop out rate (over 20% of pupils) in basic education</li> <li>Lower than EU average % of young people who choose vocational education and training after school</li> <li>Low % of under 19 year olds with secondary education compared to EU averages</li> <li>Lack of funds limits school leavers accessibility for vocation training</li> </ul>	
High level of unemployment, especially in backward regions, high poverty level in rural areas	<ul style="list-style-type: none"> <li>Population at risk of poverty level 17,2% in 2001.</li> <li>Household disposable income in rural areas only 1/3 of that of urban income.</li> </ul>	Page 6, 10

THREATS	Evidence	Reference
Increasing regional differences and between rural and urban areas	<ul style="list-style-type: none"> <li>Regional differences in unemployment (eg. 15.6% in Vilnius counties and 21.9% in Alytus)</li> <li>Regional differences in availability of vocational training courses and institutions</li> <li>50.3% of all SMEs are located in just 2 counties (Vilnius and Kaunas)</li> </ul>	Page 46. Page 48. Page 6.
Ageing population and growing need for social assistance and health care services	<ul style="list-style-type: none"> <li>Decreasing birth rate, and ageing population</li> <li>Increasing number of patients with mental disorders</li> <li>Growing number of patients lacking social protection</li> <li>Smoking, alcohol abuse and drug use are increasing</li> <li>Poor knowledge of health / diet issues amongst population</li> </ul>	Pages 38-40
Rural depopulation and agricultural diversification	<ul style="list-style-type: none"> <li>Rural population is less well educated than in towns.</li> </ul>	Macro 'General Results' Pages 16-24

# EVIDENCE-BASED SWOT TABLES

## A

### STRENGTHS AND WEAKNESSES IN DEALING WITH THE PROBLEMS OF GROUPS SUFFERING FROM INEQUALITY OR DISCRIMINATION IN OPPORTUNITIES OF ACCESSING LABOUR MARKET

#### DISABLED

STRENGTHS	Evidence:	Reference
Government policy of preferential treatment of disabled persons in the labour market	<ul style="list-style-type: none"> <li>• Legal basis, clear definition</li> <li>• Higher subsidy for subsidised employment</li> </ul>	Page 10
Increased activity of the disabled in the labour market	<ul style="list-style-type: none"> <li>• The number of disabled registered in the labour exchanges increased more than twice during last 6 years</li> </ul>	Page 10
The system of vocational training, retraining and re-qualification of the disabled is in place	<ul style="list-style-type: none"> <li>•</li> </ul>	Page 11
Numerous and well-organised NGOs of the disabled	<ul style="list-style-type: none"> <li>•</li> </ul>	Page 11

WEAKNESSES	Evidence:	Reference
Disabled unprepared for labour market	<ul style="list-style-type: none"> <li>• More than half of persons with disabilities registered in LE are low education, unskilled and without any labour relations</li> </ul>	Page 10
The income of working persons with disabilities is often just minimal	<ul style="list-style-type: none"> <li>•</li> </ul>	Page 10
Working conditions are not adapted to the needs of disabled in absolute majority of cases	<ul style="list-style-type: none"> <li>• Survey, 2003</li> </ul>	Page 10
Negative attitude towards disabled people with mental disorders	<ul style="list-style-type: none"> <li>• Survey, 2003: over 50% of respondents voiced for a stricter isolation of persons with mental affections</li> </ul>	Page 10,11
Education and rehabilitation system underdeveloped to effectively address the needs of the disabled	<ul style="list-style-type: none"> <li>• The system of vocational training, retraining and re-qualification of the disabled is in place</li> <li>• Hardly accessible (esp. to those with heavy disabilities), insufficient, and poor adaptation of vocational training to labour market needs</li> <li>• No developed methodologies for assessing skills acquired during vocational rehabilitation</li> <li>• Inefficient system of vocational rehabilitation, lack of links to other parts of rehabilitation system</li> <li>• Training programmes of general, high and higher education system not</li> </ul>	Page 11

# EVIDENCE-BASED SWOT TABLES

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	adapted; support by special measures, services, equipment and specialists is not assured	
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### PERSONS IN PRE-RETIREMENT AGE

STRENGTHS	Evidence:	Reference
Legal basis and institutional set-up for combating discrimination on the grounds of age (and gender)	<ul style="list-style-type: none"> <li>Ombudsman's Service on Equal Opportunities for Women and Men</li> <li>In 2002 126 discriminatory announcements detected, half of these related to discrimination on the grounds of age, the other half – on the grounds of gender</li> </ul>	Page 12
NGOs of people in pre-retirement age existing and active	<ul style="list-style-type: none"> <li>A number of NGOs mentioned in the baseline.</li> </ul>	Page 13
The Council on the Issues of Pensioners is functioning at the Ministry of Social Security and Labour	<ul style="list-style-type: none"> <li></li> </ul>	Page 13

WEAKNESSES	Evidence:	Reference
Employment of persons in pre-retirement age is lower than average (women even lower than men)	<ul style="list-style-type: none"> <li>In 2000 employment in the age group 50-64 almost 8 points lower than average (employment of women in this age group – 46,7%, men – 58,2%)</li> </ul>	Page 11
Mismatch of competences with the requirements of labour market	<ul style="list-style-type: none"> <li></li> </ul>	Page 12
Negative attitudes of the employers	<ul style="list-style-type: none"> <li></li> </ul>	Page 12
Professional specialisation acquired in the past too narrow, lacking the development of basic skills	<ul style="list-style-type: none"> <li></li> </ul>	Page 12
Documented cases of discrimination in the labour market on the grounds of age	<ul style="list-style-type: none"> <li>Report of the Ombudsman's Service on Equal Opportunities (see above)</li> </ul>	Page 12

### YOUNG PERSONS

STRENGTHS	Evidence:	Reference
Several job centres for youth established in the territorial labour exchanges, specialised	<ul style="list-style-type: none"> <li></li> </ul>	Page 14

# EVIDENCE-BASED SWOT TABLES

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programmes for youth in LEs		
Partnership arrangements with numerous strong youth NGOs	•	Page 15
	•	

WEAKNESSES	Evidence:	Reference
High structural youth unemployment	• 23% in 2002 according to the LFS	Page 13
Lack of professional experience	• 78% of all jobseekers without any experience in 2002	Page 13
Unemployed youth often with inappropriate qualifications, lack of competences and social skills (especially orphans, rural youth, juvenile parents)	• [high numbers of drop-outs at the period of basic education]	Page 13
	•	

### PERSONS WHO RETURNED FROM CONFINEMENT INSTITUTIONS

STRENGTHS	Evidence:	Reference
Most former prisoners are potentially most active, young people	<ul style="list-style-type: none"> <li>• In 2003 85% of prisoners were under 40 years of age</li> <li>• More than half of prisoners registered in LE in 2002 were from 18 to 29 years of age</li> </ul>	Page 15
Imprisonment system provides some opportunities for employment and education of prisoners	•	Page 15

WEAKNESSES	Evidence:	Reference
Ex-prisoners are unprepared for the labour market	<ul style="list-style-type: none"> <li>• 46% of prisoners had lower than secondary education (2003)</li> <li>• Less than 25% of all prisoners have a possibility to work in confinement institutions (2003)</li> </ul>	Page 15
Limited opportunities to learn and study in the confinement institutions or the opportunities are not being used due to lack of motivation	• 8% of all prisoners in confinement institutions receive a certificate of secondary education (2003)	Page 15
Weak social integration of people returning from places of imprisonment	<ul style="list-style-type: none"> <li>• Most have no permanent residence</li> <li>• Negative attitudes of employers</li> <li>• Lack of communication skills and motivation</li> </ul>	Page 15
Few NGOs dealing with the problems of ex-prisoners	•	Page 15

# EVIDENCE-BASED SWOT TABLES

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### PERSONS SUFFERING FROM DRUG ADDICTION

STRENGTHS	Evidence:	Reference
Rehabilitation centres existing and programmes implemented	<ul style="list-style-type: none"> <li>National Drug Control and Drug Prevention Programme 1999 – 2003</li> <li>84 projects funded by the MoSSL in 2000 (submitted by NGOs and public sector organisations)</li> </ul>	Pages 15, 16
	•	

WEAKNESSES	Evidence:	Reference
Significant (and growing) numbers of drug addicts, predominantly men	<ul style="list-style-type: none"> <li>In 2002 2250 patients under treatment, 80.7% of them men</li> </ul>	Page 15
Lack of rehabilitation centres in the regions	•	Page 15
Lack of skilled staff, needs for improvement of qualifications	•	Page 15
Rehabilitation limited to social isolation and occupational therapy; lack of multi-step, gradual assistance and integration programmes (especially relevant for teenagers)	•	Pages 15, 16
	•	

### NATIONAL MINORITIES

STRENGTHS	Evidence:	Reference
Non-discrimination legislation and policy adopted	<ul style="list-style-type: none"> <li>Programme on the integration of Roma into Lithuanian Society 2000 – 2004</li> <li>New draft Law on Equal Opportunities prohibiting discrimination; increased powers of Ombudsman's Service on Equal Opportunities between Women and Men to fight discrimination on all other grounds including national minorities</li> </ul>	Page 16
Communities of national minorities well organised and active	<ul style="list-style-type: none"> <li>272 NGOs of national minorities registered in Lithuania</li> </ul>	Page 17

WEAKNESSES	Evidence:	Reference
Some national minorities are a relatively disadvantaged in the labour market	<ul style="list-style-type: none"> <li>In 2002 unemployment of Russians 20.3%, Poles – 17.8% according to the LFS</li> <li>50% of men and 70% of women in</li> </ul>	Page 16

# EVIDENCE-BASED SWOT TABLES

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	<p>Gypsy families consider themselves as non-working</p> <ul style="list-style-type: none"> <li>• Some minorities living densely in districts or neighbourhoods suffering from structural unemployment</li> <li>• Relatively worse knowledge of Lithuanian language</li> <li>• Relatively lower levels of education</li> </ul>	
Isolated cases of discrimination on the grounds of nationality, expressions of racism and intolerance	<ul style="list-style-type: none"> <li>• [No documentary evidence, additional surveys needed]</li> </ul>	
	<ul style="list-style-type: none"> <li>•</li> </ul>	

## SEXUAL MINORITIES (DISCRIMINATION ON THE GROUNDS OF SEXUAL ORIENTATION)

STRENGTHS	Evidence:	Reference
General non-discrimination policy	<ul style="list-style-type: none"> <li>•</li> </ul>	
NGO Lithuanian League of Gays is active in protecting the interests of people with non-traditional sexual orientation	<ul style="list-style-type: none"> <li>•</li> </ul>	Page 17

WEAKNESSES	Evidence:	Reference
Climate in the Lithuanian labour market is homophobic (men appear more homophobic than women)	<ul style="list-style-type: none"> <li>• According to survey (Crisis and Information Centre for Men) the opinion of 41% of Lithuanian men would become worse about a well-known personality in a society after learning about homosexuality</li> <li>• According to survey (Lithuanian League of Gays) 88% of respondents had never revealed their sexual orientation in all or in some of their jobs (disclosure of sexual orientation considered an essential obstacle in getting employment or the main reason for dismissal); most respondents who are open about their sexual orientation at work suffer from inappropriate behaviour</li> </ul>	Page 17
Lack of intervention from Government to improve the situation	<ul style="list-style-type: none"> <li>•</li> </ul>	Page 17
	<ul style="list-style-type: none"> <li>•</li> </ul>	

# EVIDENCE-BASED SWOT TABLES

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### ASYLUM SEEKERS

STRENGTHS	Evidence:	Reference
Uniform and non-discriminatory procedures are applied towards the asylum seekers	<ul style="list-style-type: none"> <li>• Law on Refugee Status</li> </ul>	Pages 17, 18
Institutional set-up and programmes existing for dealing with the problems of asylum seekers	<ul style="list-style-type: none"> <li>• Foreigners' Registration Centre, Refugee Reception Centre</li> <li>• Minimal services to satisfy basic need, including legal advice, interpretation, awareness courses, training facilities for children</li> <li>• Social integration programme (in municipalities) for those who have obtained refugee status or temporary residence in Lithuania</li> </ul>	Page 18

WEAKNESSES	Evidence:	Reference
Asylum seekers which get permits of residence in Lithuania are unprepared for the labour market in Lithuania	<ul style="list-style-type: none"> <li>• Insufficient levels of education of asylum seekers: absolute majority have only unfinished secondary education</li> <li>• About 70% of residents at the Refugee Reception Centre [claim] to have acquired certain professions in their country of origin, but have no certifying documents</li> </ul>	Page 18
Majority of asylum seekers are from different cultural and religious backgrounds, which makes the integration into the Lithuanian society even more difficult	<ul style="list-style-type: none"> <li>• 63% percent of residents at the Refugee Reception Centre are Muslims</li> <li>• 80.6% of all satisfied applications granting asylum fall on Russian citizens ascending from North Caucasus and from the South-West of the country; 4.2% are citizens of Afghanistan and 3.5% - of Somalia</li> </ul>	Page 18
Social integration measures too limited to satisfy the needs of those who have obtained refugee status or temporary residence in Lithuania	<ul style="list-style-type: none"> <li>• Loss of social guarantees upon the completion of social integration programme</li> <li>• Lack of education, language barrier</li> </ul>	Page 18

### SITUATION OF WOMEN IN THE LABOUR MARKET AND GENDER EQUALITY

STRENGTHS	Evidence:	Reference
High attention to gender equality, considerable advances in policy, institutional set-up and legal basis	<ul style="list-style-type: none"> <li>• [New draft] Law on Equal Opportunities prohibiting discrimination</li> <li>• Ombudsman's Service on Equal Opportunities between Women and Men</li> <li>• Child care leave for both women and men, etc.</li> </ul>	Page 19

# EVIDENCE-BASED SWOT TABLES

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Women's NGOs are very active in representing the interests of women in society and labour market	<ul style="list-style-type: none"> <li>Vilnius University Gender Studies Centre, Women's Information Centre with a database of 61 NGOs of women</li> </ul>	Page 21
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WEAKNESSES	Evidence:	Reference
Women face problems of integration or reintegration into the labour market	<ul style="list-style-type: none"> <li>In 2002 level of employment among women was only 45,6% compared to men – 55%; the situation is even worse in the age group 50-64.</li> </ul>	Page 19, 11
Unequal opportunities in the labour market	<ul style="list-style-type: none"> <li>In 2002 the average wage on women made only 81% of the average wage of men.</li> <li>In 2002 Ombudsman's Service on Equal Opportunities between Women and Men documented at least 63 discriminatory announcements related to discrimination on the grounds of gender.</li> </ul>	Page 19, 12
Labour market and business environment unfavourable to initiative of women	<ul style="list-style-type: none"> <li>Comparatively small number of self-employed, especially among women (self-employed in 2001: men – 19,9% women – 11,6%)</li> <li>Only 11% of women work part-time where as in the EU – 34%</li> <li>Survey of "Baltijos tyrimai" indicating deep-rooted traditional attitudes towards the duties of men and women in the family: earning maintenance for the family is the sole responsibility of man – agreed 57.2% men and 51.4% women.</li> <li>According to the survey of Labour and Social Research Institute, services of pre-school educational establishments are available only to 53.7% of children.</li> <li>Child care leave in 2002 – 99% women, and only 1% men.</li> </ul>	Pages 7, 8, 19, 20

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# EX-ANTE DIRECT INPUTS

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# B

## 1.3.1 The Consultation Process

### Role of Ex-Ante Evaluation

Under article 40 of EC Regulation 1260/99, there is an obligation to carry out an ex-ante evaluation of all Structural Fund programmes including the Community Initiatives.

The ex-ante evaluation of the Lithuanian EQUAL Community Initiative 2004-06 was carried out by an independent team of evaluators from the Centre for Strategy and Evaluation Services (CSES) between October and December 2003 – with support from a local consultant<sup>2</sup>. The work was carried out on behalf of the Lithuanian Ministry of Social Security and Labour (MoSSL) – which had responsibility for over-seeing and co-ordinating the evaluation process.

The role of ex-ante was to assess the CIP and Programme Complement, to examine the ‘internal’ and ‘external’ coherence of programme documentation, to assess the extent to which the baseline assessment reflected the current situation vis-à-vis the analysis of key EQUAL target groups and their position in the labour market. Additional objectives were to review the choice of themes that emerged from the consultation process organised by the MoSSL (with support from the Swedish twinning programme) and to look at lessons from previous experience under the PHARE programme and other pre-accession instruments such as the ACCESS programme (NGO capacity building) to examine the extent to which previous examples of social partnership mechanisms in Lithuania might serve as a building block for the implementation of EQUAL and the setting up of Development Partnerships.

A more detailed review of co-operation with and input from the ex-ante evaluators is set out in section 9.1.

## 2. LABOUR MARKET

Chapter 2 provides a general overview of the Lithuanian economy, an analysis of the Lithuanian labour market and a detailed review of the most vulnerable social groups in Lithuania as well as an assessment of what steps are needed to improve the access of individuals from these groups to the Lithuanian labour market. Together with achievements and lessons from the previous policy, which are detailed in Chapter 3, the baseline labour market assessment forms the basis for the selection of the priority themes and actions of the EQUAL programme.

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<sup>2</sup> Rimantas Dumcius

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# EX-ANTE DIRECT INPUTS

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The strategy set out in Chapter 4 details how the issues of inequality and discrimination will be addressed in the labour market.

## 2.1.1 Introduction – An Overview of the Lithuanian Economy

The Lithuanian economy has progressed rapidly since independence. A decade of economic growth – halted only by the Russian financial crisis in 1998-99 – combined with structural adjustments in the economy, privatisation and other necessary market reform has helped transform the Lithuanian economy from a command to a fully fledged market economy dominated by private sector activity in the services and manufacturing sectors and by trade with the European Union – although trade with former CIS countries remains important.

In summary, the Lithuanian economy is now characterised by macro-economic stability, high GDP growth, low inflation and a stable currency pegged to the euro. Indeed, Lithuania is now regarded as something of a “Baltic Tiger” - the European Commission’s official GDP growth forecasts published in November 2003 suggest that Lithuania will have the fastest growing economy of EU25 over the 2003-05 period. Less positively, however, unemployment remains persistently high, with some towns and counties within Lithuania experiencing particularly acute unemployment problems. The process of structural readjustment and modernisation combined with the decline of those sectors of the economy that have traditionally been large employers such as agriculture has led to economic hardship and high unemployment in some communities – with disadvantaged social groups particularly adversely affected.

With the exception of the economic recession of 1998-99, the Lithuanian economy has been growing rapidly with GDP increasing at between 5-7% per annum. Lithuania has also been undergoing a major process of structural adjustment resulting in significant changes in employment structure and labour market characteristics. As Lithuania enters the EU, its economic structure – now dominated by the services and manufacturing sectors (agriculture retains an important albeit declining role) is becoming ever more similar to the economies of Western European countries.

However, rapid economic development has not been even across all spheres of the Lithuanian economy. The ongoing process of economic restructuring as well as changes in the relative importance of different sectors (often resulting in job losses) has adversely affected some regions more than others. While nationally, unemployment is high – standing at over 13% in 2002, some Lithuanian regions and towns suffer from particularly acute unemployment problems. Unemployment in Lithuania, as elsewhere in Europe, tends to disproportionately affect individuals from the most vulnerable groups in society.

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## 2.1.2 The Lithuanian Labour Market and Disadvantaged Social Groups

While in some areas of Lithuania, employment opportunities are scarce due to the ongoing process of economic restructuring and structural change, some social groups are proportionally much more likely to experience difficulties in accessing the labour market than others. There are a complex variety of reasons why individuals from some social groups in Lithuania face difficulties in accessing the labour market. However, in broad terms, problems can be divided into three categories 1) *direct discrimination* 2) *indirect discrimination* and 3) the fact that vulnerable social groups often face *multiple disadvantages* linked in part to social exclusion that make it difficult, all other things being equal, to access employment opportunities – examples include greater difficulties in accessing education and vocational training, lack of confidence and self-motivation etc.

*Direct discrimination* i.e. unequal treatment in employment resulting from prejudices amongst employers and employees is sometimes a problem in Lithuania for job seekers from particular social groups – such as those of a different sexual orientation, ex-prisoners, recovering drug addicts, former victims of trafficking etc. Direct discrimination in employment has been compounded by the historic lack of legal protection afforded to individuals from disadvantaged groups stemming from Soviet times – although the legal framework has now changed with the passing of a law on equal opportunities – part of Lithuania’s commitment to the principle of equal opportunities for all enshrined in the EC Treaty and a requirement under the *Acquis Communautaire*.

The problem of *indirect discrimination* is also an issue for some social groups. An example of indirect discrimination facing disadvantaged groups in Lithuania might be the disabled – there is evidence that very few employers make any provision at all to accommodate the employment of disabled workers through workplace adjustments. This means that employment opportunities for the disabled are often restricted. Similarly, the lack of flexitime opportunities offered by Lithuanian employers indirectly discriminates against many women – who work as carers – either of children or of elderly relatives – making it difficult to engage in full-time employment.

There are also evidently other reasons why individuals from disadvantaged groups face greater difficulty in accessing employment opportunities than others. Many of the individuals from the target groups set out in section 2.3 of the CIP have low educational attainment levels and lower levels of qualifications than those classified outside EQUAL target groups. Others have faced social deprivation, long-term unemployment and poverty making it difficult to re-enter the labour market. A related issue is that the level of self-confidence and motivation amongst individuals at high risk of social exclusion is often low – which again has an adverse impact on accessing the labour market. Clearly, difficulties in accessing the labour market are often specific to target groups i.e. young unemployed people often lack work experience and the necessary communication / inter-

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personal skills to get a job whereas for older workers, the issue is often that their skills, qualification and experience may be outdated with a major need for skills upgrading. In section 2.3, the baseline characteristics of individual target groups within EQUAL are set out.

## 2.2 General Overview

### 2.2.1 The Lithuanian Economy – Key Trends

The main trends in the Lithuanian economy are a stable macro-economic environment characterised by rapid GDP growth, low inflation, the increasing importance of the private sector and a trend towards companies getting bigger in order to derive economies of scale and to compete more effectively. Other key trends include the increasing importance of the service sector, the continued importance of the manufacturing sector, the relative decline of agriculture's importance (at least in terms of GDP/ share of value added since agriculture still accounts for a major share of employment). Structural reforms and the modernisation of industry in general and manufacturing in particular has had a major impact on improving labour productivity. There has also been a switch in terms of the relative importance of different export markets – from former countries of the CIS to the EU.

According to the Lithuanian Department of Statistics GDP in Lithuania increased by 6.7% in 2002 and totalled 50.679 billion LTL in current prices. GDP per capita in 2002 amounted to 14609 LTL and reached 38 percent of EU 15 average.

The Lithuanian Department of Statistics recorded a drop in average annual inflation from 1.3 percent in 2001 to 0.3 percent in 2002. From May 2002 to May 2003 some evidence of minor deflation was observed which was mainly attributed to the decrease in prices of transport goods and services, food products and non-alcohol beverages. The decrease in prices of consumer goods and services was partly balanced by an increase in the prices of alcohol, tobacco, clothing and footwear goods and services.

Foreign and internal debt remains stable and, compared with international standards, insignificant. According to data provided by the Ministry of Finance, state debt increased by 259.2 million LTL in 2002 and totalled 13.163 billion LTL at the end of the year. Foreign debt constituted 69.7 percent of the total state debt and 18.1 percent of GDP at the same time. In December 2002 total long-term debt constituted 12.451 billion LTL – 94.6 percent of the total state debt.

According to final data from the Ministry of Finance the national budget revenue plan for 2002 was exceeded for the first time in four years, the municipal budgets completed the year with surplus revenues, while there was only a minor shortage in the state budget –

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which was the lowest since 1997. In 2002 the state budget received 2.56 billion LTL more revenue compared with 2001.

Over the past decade the structure of the Lithuanian economy has changed significantly and become more closely aligned with the economic structures of EU15 countries. Agriculture's share in the national economy decreased from 20% to 16.3%, which is still significantly larger than the EU average of 4.2%. Agriculture still accounts for 17-18 percent of total employment.

The latest steps in privatisation have had a further positive impact on the rapid growth of private sector. Lithuanian economy is becoming more and more interconnected with the EU economies; Lithuanian currency Litas was linked to the Euro at a fixed exchange rate in February 2 2002. The EU has been the most important export destination accounting for 40.9 percent of the total exports in 2002, while the candidate countries received 18.6 percent of the total Lithuanian exports. The EU has accounted for most of imports to Lithuania as well – 40.6 percent. Imports from the CIS to Lithuania constituted 31.8 percent.

According to the Lithuanian Department of Statistics cumulative foreign direct investment in Lithuania in January 1 2003 constituted 13.1838 billion LTL and increased by 23.7 percent over the last year. This constitutes a significant increase of FDI per capita from 3068 LTL in January 1 2003 to 3808 LTL in January 1 2003.

According to the World Economic Forum's annual global competitiveness report, Lithuania ranked 36th in the Growth Competitiveness Index rankings in 2002, ahead of many other Central and Eastern European EU candidate countries.

The rapidly growing economy has not prevented a significant growth in regional disparities, especially in terms of investment, GDP, and employment generation. The largest disparities are observed between cities and rural areas. GDP per capita was above average only in Vilnius and Klaipėda regions, while GDP per capita in other regions has been considerably lower. The disparities are even more pronounced on the municipal level.

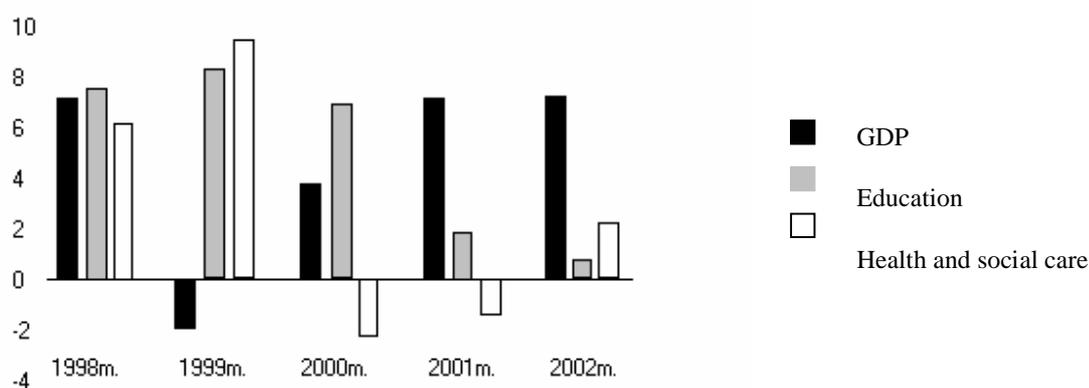
## **2.2.2 Labour market: employment, unemployment, and skills**

Although Lithuanian GDP has grown rapidly, the growth in spending on education, health care and social services has not kept up with GDP growth and in some cases a significant decrease in real terms was observed (see Graph 1).

**Graph 1. The Real Growth Rate (in percent) of GDP, education, health care and social services.**

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The rapid growth of the Lithuanian economy has not yet been strongly reflected in the average standard of living. This is especially true in rural areas where household disposable income is lower by approximately one third than urban household disposable income. Poverty remains most prevalent among the unemployed, persons subsisting on social assistance allowances, families with three and more children, and farmers' households. The at-risk-of-poverty level estimated by the EU methodology was 17.2 percent in 2001.

Decline in labour participation rates over past five years and shrinking workforce overall has had an adverse impact on the economy. Labour migration, low birth rates and an ageing population have accelerated this trend. Labour market analysis shows the deeply rooted structural drawbacks and disparities in comparison to the labour market situation in the EU 15 (see Table 1).

**Table 1. Assessment of Development Disparities in the Area of Labour Market and Employment in Lithuania and EU Member States**

Disparity	Measurement unit	Lithuania 2001	EU average 2001	Assessment of disparity	Lithuania 2002*
Unemployment rate	percent	17,0	7,6	Large	13,8
Youth unemployment	percent	30,2	14,0	Large	-
Share of long-term unemployed	percent	59,0	44,0	Large	-
Female unemployment	percent	14,2	8,9	Large	12,9
Male unemployment	percent	19,7	8,7	Large	14,6
Employment rate	percent	57,7	64,0	Medium	59,6
Employment by sectors:					
Agriculture, hunting, forestry and fisheries	percent	16,3	4,2	Large	17,9
Industry, construction	percent	27,6	26,4	Small	27,5
Services	percent	56,1	69,4	Large	54,7

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\*According to Labour force survey data.

In 2002 unemployment dropped to 13,8 percent (although in comparison to the EU average of 7,7 percent in the corresponding year it still remained very high) and labour participation rates increased slightly to 59,6 percent. The tendency of decreasing unemployment and increasing employment continued throughout the first 3 quarters of 2003. However, structural unemployment persists with the unemployment register dominated by the long-term unemployed and young people.

Unemployment among young persons in Lithuania, as in other countries, is much higher than average unemployment overall. According to the data received from the Labour Force Survey in Lithuania average annual unemployment of young persons under 25 was 30.2 percent in 2001. The percentage of men unemployed in the 15-24 age group was 34.9 percent and 23.6 percent for women. This is much higher than the EU average (14 percent in 2001). According to LFS data previsions, a decrease in the unemployment rate among young persons is foreseen.

Long term unemployment in Lithuania exceeds the EU average: in 2001 long term unemployment in EU stood at 44 percent, in Lithuania – 59 percent of the total number of unemployed people. The highest level of long-term unemployment was established among persons over 50 years of age.

Furthermore certain social groups are perceived as being particularly disadvantaged. An analysis of the situation of men and women in the labour market as well as of the disabled, young people or older workers reveals that there are significant difficulties in integrating/ re-integrating such groups into employment – exacerbated by structural changes to the Lithuanian economy and the rapid societal changes that have resulted (see also section 2.2.3).

However, the labour market situation in Lithuania compared with the EU average is not all negative – in some instances, Lithuania already performs relatively well against the EU average. For example, labour participation rates amongst women in Lithuania in 2001 stood at 56,4 percent compared with only 46 percent in the EU15. Clearly, building on this positive starting point and encouraging even more women into employment should have a positive effect on Lithuania's growth potential.

## EMPLOYMENT STRUCTURE

Despite the fact that the Lithuanian economy has undergone a major process of restructuring – which in some respects is nearing an end, fundamental difficulties remain in traditional branches of the economy characterised by low added value. High technology industry is insufficiently well developed and low and medium skilled employment still dominates in manufacturing and in largescale industry. Over the last

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decade the service sector has developed rapidly and today accounts for an ever-increasing share of employment – approximately 55%..

In 2001, agriculture, forestry and fisheries accounted for 16.3 percent of the employed (20.5 percent of men and 12.3 percent of women), industry and construction – 27.6 percent (34.4 percent of men and 20.8 percent of women) and services – 56.1 percent (45.1 percent of men and 66.8 percent of women). In comparison with the EU, the largest difference is in the agricultural sector, the share of the employment structure exceeds that of the EU by 4 times. Employment in the service sector remains rather low if compared to the average EU rate (69,4 percent in 2001). Also skills shortages and gaps, particularly in sectors such as IT, are quite significant.

The ratio among men and women differs from sector to sector. The number of men employed in the primary and secondary sectors (agriculture and manufacturing) is significantly higher than that for women. Women dominate in the services sector however.

In the majority of districts, a large number of registered employed persons are involved in the agricultural sector, and their activity usually is low-productive arable farming – often on a semi-subsistence basis

## NON-TRADITIONAL AND FLEXIBLE FORMS OF WORK ORGANISATION

Non-traditional forms of employment have been slow to develop in Lithuania. Although flexible forms of working such as part-time working are becoming more common, in the view of many policy makers in Lithuania, this process is not happening quickly enough. There are comparatively small numbers of self-employed individuals, particularly amongst women. While this may in part be due to a combination of cultural and historical factors, it could also arguably be due to the business environment not being sufficiently favourable to promote entrepreneurship. In 2001, 81.4percent of the employed were employees (77.7 percent of men and 85 percent of women), 15.4 percent – self- employed individuals (men – 19.9 percent, women – 11.6 percent) and 3.2 percent – unpaid workers in family businesses – particularly common in the agricultural sector on semi-subsistence farms (2.8 percent of men and 3.5 percent of women).

In 2001, 9.8 percent of the employed worked part time, of this number - 41.2 percent were men and 58.8 percent – women. This is significantly below the EU average of 18 percent. According to Lithuanian law, part-time employees must not be treated less favourably than their full-time counterparts. Part-time workers therefore enjoy the same pension and other social rights as full-time workers. However income from part-time employment is often insufficient and this hinders the development of flexible forms of working. The difference is particularly large in the case of Lithuanian women: only

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11 percent of them work part time, whereas in the EU – 34 percent of women work part-time. Part-time employment also varies between different sectors of the economy.

Other flexible forms of work organisation such as tele-working, flexible working hours, rotation of jobs, etc., are also uncommon. The unfavourable legal, social and economic environment, the lack of specific legal provisions (in spite of the fact that from 1 January 2003 the new Labour Code provides for legal preconditions for the development of flexible working forms) does not promote the application of flexible forms of work organisation.

Tripartite employment councils are now operating at national and regional levels, which is likely to improve social partnership.

## EDUCATION AND SKILLS

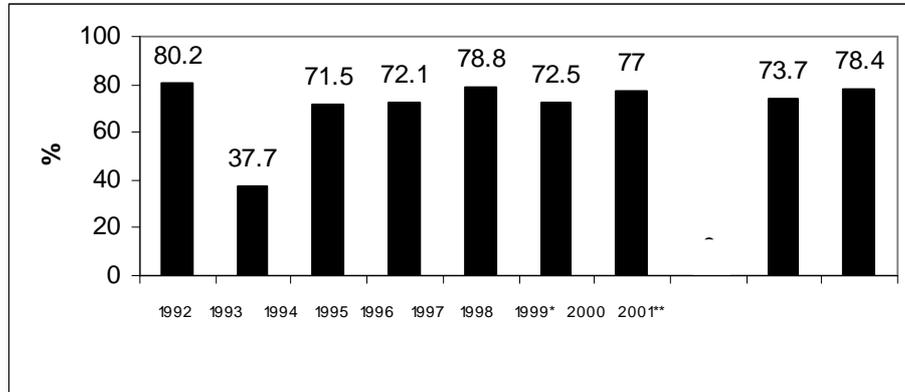
Lithuania has quite a good legal basis for the development of a modern education system and social partnership. According to official statistics, educational attainment levels amongst those in employment in Lithuania is comparatively high. Persons with full secondary or higher-level education account for 80 percent of the total labour force.

The level of education of the labour force in Lithuania is rather high, but the level of qualification among young persons is lower than among senior persons. However, there are more young persons without the basic education in the age group of 15 – 24 (21 percent), than in the age group of 25 – 49 (1 percent). This is due to changes in the social-economic environment and increasing numbers of young persons leaving the system of education at an early age – a phenomenon known as ‘school drop-outs’. Comprehensive and reliable statistics on drop-outs are not available, but a significant share of persons, who are 15-16 years of age and have not completed their basic education are drop-outs (see Graph 2), while others due to a number of reasons tend to complete it one or more years later.

**Graph 2. Share of persons, who acquired basic education in comparison to the number of 15-year old persons**

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\*- The crop of students was missing due to transition to basic education of 10 years

\*\* - Compared with the number of 16-year old persons

The main tasks in relation to the growth of competitiveness and efficiency may be only achieved through modern education and vocational training. Lithuania has an extensive and widely accessible vocational education and training system. However, this system is lagging behind the structural changes in the economy and the training programmes do not fully correspond to the needs of the labour market. Now that there is a good legal basis for the development of a modern education system as well as for the setting up social partnership structures the situation is likely to improve. A vocational training framework has been set up to develop internationally accredited vocational education and training standards and employers have been closely involved in syllabus development for vocational training schemes in order to ensure that programmes are better tailored to labour market requirements. A further education system of colleges was created in 2000 to fill the gap between secondary and university level education.

Lithuania has developed active employment policies to address the problem of unemployment and to increase employment. For the implementation of labour market policy, Lithuanian Labour Exchange, and a nationwide network (46) of Territorial Labour Exchanges (TLEs) to help the unemployed improve their skills and get back into employment has been set up. Labour exchange acts as mediator for placement of citizens into jobs, implements active labour market measures – public works, job clubs, vocational training, etc. However, due to lack of resources the involvement of unemployed persons into active measures is insufficient. 14 labour market training centres have been set up to assist the unemployed training 20,000 per year.

Labour market and vocational training system is oriented towards the more active and employable part of the population, which can be easier prepared for the labour market. The needs of the disadvantaged groups in this area are not sufficiently met as the satisfaction of these needs requires substantial investments as well as changes in the traditional attitudes.

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Adult education is expanding rapidly and efforts are being taken to promote a culture of lifelong learning. However, conditions for life-long learning are not sufficiently developed. Vocational training and higher education system is more adapted to delivering of formal education as well as to those entering the training system for the first time. Employers do not invest sufficiently in training and developing, retraining and improving qualifications of their employees – particularly in the primary and secondary sectors. Lack of resources combined to inflexible learning system results in a clearly marked by a low level of participation of adults in the continued education. The possibilities of the disadvantaged groups to participate in the life-long learning are even lower.

### 2.3.3 Young persons

According to 2002 data from the Labour Force Survey, unemployment amongst young people under 25 was 23 percent, which is the highest in comparison to other age groups. In 2002 young people under 25 constituted around 78 percent of all jobseekers without previous work experience registered with local employment offices (lower than in 2001 when the same figure was 84 percent). A significant share – 36 percent (or 12.1 thousand people) – of these were graduates from post secondary education institutions. Of these 36 percent, 2.6 thousand or 21 percent came from university level institutions, 3.5 thousand or 29 percent – from higher learning institutions (college level), and 6 thousand or 50 percent – from vocational schools.

The main obstacle preventing young people from integrating into the labour market is that a not insignificant share of young people in Lithuania left the educational system without completing basic and / or secondary education, which formally prevents them from entering further formal education institutions. Without a basic education and without the possibility to acquire a profession desirable on the labour market they can only compete for placements in low-paid, unskilled jobs. This is clearly a wasted opportunity in that many of the new jobs being created in Lithuania increasingly require knowledge and skills.

Young people also sometimes lack the specific competencies and social skills that employers are increasingly looking for. The level of qualifications among young people is lower than that for older workers. This is attributable to a range of complex factors including the increased number of ‘drop-outs’ from basic education.

Specific groups of young people have experienced major problems in accessing the labour market. These include: orphans, school drop-outs from basic education, rural youth, teenage parents, and young families. The problems are especially grave when the same specific persons fall into several of the above categories (e.g. an orphan and a juvenile parent at the same time). However, reliable statistics on the numbers affected for

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these of these sub-groups within the target group ‘young people’ are not currently available.

Orphans are deprived of parental care and support, social ties and often miss out on a high quality education. To a large extent, they are left to struggle in the labour market on their own once they become 18 years of age. Drop-outs cannot acquire formal professions in vocational (and higher) education institutions. The situation of rural youth is also unfavourable as they have also fewer opportunities in the area of education. Quality education is less likely to be available in rural areas, while poverty and the inability to afford living costs while studying deprives many young people from seeking post-secondary education, which is available only in larger towns or cities.

While orphans, drop-outs and rural youth lack relevant education, qualifications and communication skills, the overriding problem is the lack of motivation, which is exacerbated by the negative social environment. This means that even if the above-listed opportunities were provided to disadvantaged youth groups, they would not necessarily be prepared and willing to use them.

The least protected group, which lacks attention from respective authorities, are teenage parents, who are forced to leave the school too early or at least to interrupt the learning process because of family responsibilities, child birth or child care. Although this is not a large phenomenon, such persons have previously often missed out on measures to assist them back into education and employment. Teenage parents, as well as young families in general, face serious problems in accessing the labour market. While some job vacancies are available, for example in the sewing industry and the retail sector, there are only limited part-time job opportunities available. The introduction of more flexible working arrangements would enable a better balance between family responsibilities and career opportunities for teenage parents.

Government policy in Lithuania seeks to reduce social exclusion levels amongst young people through active labour market measures. These consist of measures to help young people develop new skills and acquire qualifications with a strong focus on labour market needs. A number of initiatives have also been supported to help young people develop the social and communication skills necessary to gain access to the labour market. The Lithuanian Labour Exchange (responsible for getting the unemployed back into employment) applies active labour market policy measures to address employment problems of young persons through the implementation of programmes “The First Step”, “Talent Bank” and “Career Development”.

The aim of the programme “The First Step” is to get job-seekers starting their working career ready for integration into the labour market. The programme started in the second quarter of 2002. The programme provides vocational guidance to unskilled young people as well as intensive counselling and information workshops at job clubs. The main

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purpose of the programme “Talent Bank” is to create greater opportunities for students and highly skilled specialists to get employment at the same time as helping employers to find quicker the necessary staff. The programme started in the second quarter of 2000 and the database on highly skilled specialists was created in the information system of DBIRZA-I. On 1 January 2002 there were 1.9 thousand participants registered in “The Talent Bank” and on 1 January 2003 there were 2.9 thousand already. The updated programme “The Talent Bank” is constantly delivered to university students and student organisations. The Lithuanian Students Union has played a very active role in helping to publicise and disseminate results from the programme.

The “Career Development” programme started in the third quarter of 2002 and is targeted at university graduates as well as graduates from other higher learning institutions, targeted to create conditions for the participants to develop skills in planning and implementing personal career. Sessions of the programme “Career development” in 2002 were organised in the Vilnius and Utena labour exchange offices. During the period of 6 months 767 graduates participated in the sessions of the programme and 366 (48 percent) of them had found jobs by 31 December 2002.

Since 1999 several Job Centres for young people have been established as separate specialised units of some territorial labour exchanges. The main tasks of such centres are to provide assistance to young people – both the unemployed and those still in education – in accessing the labour market, undertaking further training, improving social and communication skills, provide open information, mediation in employment, counselling, vocational guidance, sociological-psychological rehabilitation amongst other services.

Among the functions of Job Centres for young persons are also organisation of cooperation with social partners, investigation of client’s needs and possibilities, survey and assessment of services provided by Job Centres, projecting activities and participation, the development and implementation of new services and unconventional labour forms, collecting and dissemination of information related to the issues of young persons, cooperation and exchange of experience with similar centres within the country and abroad, public information on the activities of the Centres.

Job Centres have co-ordination councils composed of representatives of key stakeholders and co-operation agreements with numerous youth NGOs both in Lithuania and abroad. Activities of the centres provide for a good partnership model to continue dealing with particular problems of youth under the EQUAL programme. Job centres have already been active in the pre-accession programmes supporting human resource development.

There are many non-governmental youth organisations in Lithuania, which help young people to develop their communication and inter-personal skills by helping to develop social skills through public, non-governmental activities, informal education, and gaining experience through voluntary work. The Council of Lithuanian Youth Organisation

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(LiJOT) is an independent, nation-wide voluntary union of non-governmental youth organisations and non-governmental youth organisations' unions. It is a full member of the European Youth Forum and a member of the Baltic Youth Forum. It aims to promote youth initiative and information society. LiJOT has a half of all seats in the State Council of Youth Affairs, the rest being for the representatives of the Government institutions.

Starting in 1997 every year the Council provides state assistance to the projects of youth organisations. The specific focus of the programme "Youth for Rural Areas" is on supporting the initiatives of youth NGOs in rural municipalities. In the frame of this programme in 2001 the Council supported 156 projects (156700 LTL), in 2002 – 114 projects (100000 LTL), and in 2003 – 111 projects (90000 LTL). The projects are selected and implemented through partnership between the Council, a specific municipality (also an important source of co-funding) and local NGOs. Those projects that have already been implemented have already had positive effects in terms of increasing the skills and motivation of youth in rural areas. This practical experience and knowledge of supporting youths in rural communities will clearly be of benefit in setting up DPs in rural areas under the EQUAL programme.

### 2.3.6 National minorities

The legal basis is already in place against many forms of discrimination and the Lithuanian Government has recently transposed the Council Directives stemming from the extension of the Commission competency in the field of anti-discrimination provided for by Article 13 of the EC Treaty. Legislation regulating employment, labour relations, etc. does not provide for any restrictions or privileges on the grounds of nationality. The new draft Law on Equal Opportunities was recently approved by the Lithuanian Parliament and extends the competence of the Ombudsman for Equal Opportunities amongst Women and Men to outlaw discrimination on all other grounds including nationality. This will empower the Equal Opportunities Ombudsman to monitor the implementation of equal opportunities and to analyse complaints concerning other forms of discrimination and will also provide reliable data in respect of the incidence of discrimination – currently missing in Lithuania.

National minorities constitute about 16 percent of the population in Lithuania (see Table 2). There are certain differences among the levels of unemployment among the nationalities in Lithuania and certain nationalities appear to be more disadvantaged than others. According to the population census undertaken in 2002, unemployment among the two most important national minorities – Russians and Poles - was higher than average. While the overall unemployment rate was 13.8 percent, the unemployment rate for Lithuanians was 12.8 percent (men – 13.9 percent and women – 11.6 percent), Russians – 20.3 percent (men – 20.6 percent and women – 19.9 percent), Poles – 17.8 percent (men – 15.5 percent and women – 19.9 percent) and other nationalities – 17.4 percent (men – 19.1 and women – 15.8 percent).

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**Table 2. Nationalities in Lithuania in 2001**

Nationality	Total number of inhabitants	Share of the total number of inhabitants, %
<b>All nationalities</b>	<b>3483972</b>	<b>100</b>
Lithuanian	2907293	83,45
Polish	234989	6,74
Russian	219789	6,31
Byelorussian	42866	1,23
Ukrainian	22488	0,65
Jewish	4007	0,12
German	3243	0,09
Tatar	3235	0,09
Latvian	2955	0,08
Roma	2571	0,07
Armenian	1477	0,04
Other nationalities	6138	0,18
Have not indicated their nationality	32921	0,94

Source: Lithuanian Department of Statistics, Population and Housing Census of 2001.

The extent to which differences between Lithuanians and national minorities in terms of both unemployment and labour participation rates is due to discrimination (either direct or indirect) against national minorities in the labour market is not clear and further research in this areas is needed. Other factors suggested by the Department for National Minorities and Lithuanians Living Abroad that might explain higher unemployment levels amongst the national minorities include the following:

- Some national minorities are concentrated in regions of Lithuania that are currently suffering from major economic downturns, such as Polish population in Šalčininkai District (unemployment of 20 percent in mid-2003) and Russian-speaking population in Visaginas City (highly dependent on the major employer – Ignalina Nuclear Power Plant, which is being prepared for decommissioning). These regions are less attractive to private businesses and thus their population faces economic and social problems.
- There are differences among nationalities in terms of the level of educational attainment. Data from the recent population census shows that some nationalities including Russians and Polish have relatively lower levels of education compared to other nationalities living in Lithuania. Lithuanians are not the most educated nationality in Lithuania either, but relatively better educated than e.g. population of Russian nationality.
- Fluency in the Lithuanian language is clearly an important factor. However, this is only relevant in certain professions, where language competency has particular importance. Knowledge of Lithuanian is generally lower amongst the older generation of non-Lithuanians and especially Russians.

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According to the Population and Housing Census of 2001 the Roma community in Lithuania has 2571 members. The social and labour market exclusion of this nationality is extremely difficult. In this particular community approximately 18 percent of men and 35 percent of women are illiterate. About 50 percent of men and 70 percent of women in gypsy families describe themselves as non-working.

The Programme for the Integration of Roma into Lithuanian Society for 2000–04 has begun to make a positive contribution in terms of the integration of the Roma community. Particular emphasis is placed on the education of the younger generation. The Department of National Minorities and Lithuanians Living Abroad is working closely with the Roma Community Centre and other Roma NGOs (16 in total) and territorial labour exchanges to help address social exclusion issues and promote access to employment. In addition to that a number of non-governmental organisations, including Open Lithuanian, Fund, Lithuanian children’s fund, and Education exchange fund, have made numerous efforts to relieve the situation of Roma community. However, the work is particularly difficult due to closed nature of Roma community, its traditional way of life and the absence of role models and community leaders amongst the Roma Community - which are often present in other EU and accession countries.

There are 272 non-governmental organisations of national minorities registered in Lithuania established on the basis of communities, which in general carry out cultural activities, heritage safeguarding and taking care of national identity projects. Some organisations are active in political life (e.g. Polish election campaign), and are represented in municipal councils as well as Parliament.

National minorities in Lithuania have been the recipients of EU funding since the beginning of the PHARE programme in the early 1990s. Support has been provided through various Grant Schemes under the PHARE Programme (including Civil Society, LIEN, Cross-Border Co-operation and the Small Projects Programme). Additionally, other pre-accession instruments have also benefited Minorities – such as the ACCESS programme – capacity building for NGOs. Experience gained and partnership ties created under various programmes and projects shall be beneficial when implementing EQUAL programme.

## 2.5 Conclusions

### 2.5.1 Summary of lessons from previous partnership-based projects in Lithuania

There are also useful lessons that can be drawn from existing social partnership schemes supported in Lithuania - both domestic programmes such as the National Programme for Increasing Employment in the Republic of Lithuania 2001 – 2004 and pre-accession programmes such as the Economic and Social Cohesion (ESC) dimension of the PHARE programme. Below we review experience under domestic and EU accession programmes:

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There a number of working partnership arrangements dealing with the problems of disadvantaged individuals (and social groups) in the labour market. 46 territorial labour exchanges spread throughout Lithuania often assume central roles or at least are members of a number of partnerships. TLEs all have co-operation agreements with a wide range of organisations and institutions, including NGOs dealing with the problems of different disadvantaged groups (including the disabled, the over 55s, young people, ex-prisoners, national minorities, and women), municipalities, enterprises, and / or institutions providing social and Vocational and Education Training (VET) services.

These institutionalised partnerships are used to facilitate social adaptation and rehabilitation (e.g. directing clients to specialised service providers so that they can take the next steps towards integrating or reintegrating into the labour market), to increase employability and adaptability of target groups (e.g. vocational education and training), to guarantee job placements (e.g. subsidised employment schemes), to provide information and to monitor labour market trends and to utilise additional funding for local employment initiatives (e.g. employment programmes funded by municipalities). These partnerships, diverse in nature, provide useful examples of social partnership mechanisms already in operation in Lithuania and could be built upon when creating innovative new Development Partnerships (DPs) through EQUAL.

Important experiences have also been gained under the PHARE Economic and Social Cohesion (ESC) programme, which was initially piloted in three target regions (PHARE 2000 ESC) but has subsequently been extended to the whole of Lithuania. Projects financed under this programme (human resource development, vocational training measures with a particular focus on disadvantaged groups) have often been innovative drawing together new types of partnership structures involving a diverse range of key stakeholders that had not previously co-operated and collaborated together. Indeed, the degree of innovation was one of the formal selection criteria adopted in a very competitive selection procedure – since far more applications were received than had been anticipated.

Many of these new partnerships have applied for funding under PHARE ESC 2001 and hope to be able to develop new measures and methods of working together to counter social exclusion and discrimination. Study visits to other EU member states to facilitate the sharing and exchange of good practices, establish new contacts and develop new partnership ties with similar organisations on a transnational basis has been regarded as one of the main areas of value-added of PHARE. It is therefore likely that the transnational dimension of EQUAL will prove of great importance in terms of delivering value added.

The PHARE ACCESS programme, a pre-accession instrument with an NGO-centred approach and a strong transnational dimension could be considered an important

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preparation ground for the EQUAL programme. It has provided support to Lithuanian NGOs working in the area of the social integration of marginalised and disadvantaged groups (minorities, disabled, street children, unemployed, alcohol and drug addicts in small towns and villages, prisoners, and HIV positive individuals). The transnational dimension is viewed as having been especially helpful in promoting greater co-operation and collaboration between partners in both EU-15 member states and the accession countries, and has made a positive contribution in terms of facilitating the development of innovative working methods.

Less positively, many PHARE projects have often lacked institutionalised continuity - the possibilities of mainstreaming new working methods and measures into domestic programmes have often therefore been limited.

The EQUAL programme should help to build on progress already made to date through national programmes and the pre-accession instruments with its agenda of piloting new and innovative measures and mainstreaming these into national employment and social inclusion policies.

## 2.5.2 SWOT Analysis

We begin by providing a general labour market SWOT which sets out the contextual background in terms of the baseline operating environment in which the EQUAL programme will be implemented. We then provide individual SWOT tables for each of the EQUAL target groups identified in section 2.3.

<b>BASELINE SWOT – THE LITHUANIAN LABOUR MARKET</b>	
<b>STRENGTHS</b>	<b>WEAKNESSES</b>
<ul style="list-style-type: none"> <li>▪ Despite decline since independence, labour participation rates compare favourably with the EU average particularly amongst women</li> <li>▪ Well educated workforce with over 80% educated to secondary school level or higher</li> <li>▪ A vocational training framework has been set up to develop internationally accredited vocational education and training standards</li> <li>▪ Employers have been closely involved in syllabus development for vocational training schemes in order to ensure that courses are better tailored to labour market requirements</li> <li>▪ Tripartite employment councils are now operating at national and regional levels</li> <li>▪ A further education system of colleges was created in 2000 to fill the gap between secondary and university level education</li> <li>▪ Adult education is expanding rapidly and efforts are being taken to promote a culture of lifelong learning</li> <li>▪ A nationwide network (46) of Territorial Labour Exchanges (TLEs) to help the unemployed improve their skills and get back into employment has been</li> </ul>	<ul style="list-style-type: none"> <li>▪ Decline in labour participation rates over past five years (and shrinking workforce overall). Labour migration, low birth rates and an ageing population have accelerated this trend</li> <li>▪ Although relatively well educated workforce, high proportion of school ‘drop-outs’ leaving education system without obtaining the basic education certificate. While numbers of drop-outs declining, remain an acute problem</li> <li>▪ Skills shortages and gaps, particularly in sectors such as IT</li> <li>▪ While improvements made, vocational training system has not yet fully addressed issues around access to and quality in VET education. Neither has the VET system been sufficiently adapted to respond to structural changes in Lithuanian economy/ rapidly evolving labour market needs</li> <li>▪ High proportion of unskilled labour in workforce (particularly in primary and secondary sectors). Such individuals proportionately more likely to suffer from long-term unemployment. This trend will increase given</li> </ul>

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<ul style="list-style-type: none"> <li>▪ set up</li> <li>▪ 14 training centres have been set up to assist the unemployed training 20,000 per year</li> <li>▪ There is a good legal basis for the development of a modern education system as well as for the setting up social partnership structures</li> </ul>	<ul style="list-style-type: none"> <li>▪ ongoing structural changes in Lithuanian economy</li> <li>▪ Structural unemployment persists with unemployment register dominated by the long-term unemployed and young people,</li> <li>▪ Non-traditional forms of employment and flexible working practices such as part-time working have developed slowly – a barrier to increased activity rates</li> <li>▪ Employers do not invest sufficiently in training and developing, retraining and upskilling their employees – particularly in the primary and secondary sectors</li> <li>▪ High unemployment in less developed regions, with high levels of poverty and low income levels in many rural areas</li> </ul>
<b>OPPORTUNITIES</b>	<b>THREATS</b>
<ul style="list-style-type: none"> <li>▪ While unemployment was high over past five years due to both external economic factors (e.g. Russian economic crisis of 1998/99) and structural changes in Lithuanian economy, it is now declining</li> <li>▪ GDP is increasingly rapidly with growth based around a number of growth poles such as Vilnius, Kaunas and Klaipeda. New employment opportunities are likely to result from continued economic growth as well as Structural Funds investment</li> <li>▪ Provided sufficient employment opportunities can be created, labour market migration may be reduced</li> <li>▪ Increasing shift from passive to active labour market policies in line with European employment policies should help the workforce to adapt better to rapidly changing labour market requirements</li> </ul>	<ul style="list-style-type: none"> <li>▪ Declining labour market participation rates</li> <li>▪ Single European Market and free movement of people means that labour market emigration may become a more significant problem post-accession – given better paid work elsewhere in Europe</li> <li>▪ Increasing regional differences between rural and urban areas in terms of unemployment, income levels and employment opportunities</li> <li>▪ Many individuals, particularly older workers, have skills and qualifications that are out of date. Unless they are urgently reskilled/ retrained, there is a risk that they will face social exclusion with a consequent negative impact on Lithuania's competitiveness</li> <li>▪ In common with many EU countries, Lithuanian has an ageing population and declining birth rates</li> <li>▪ Rural depopulation and agricultural restructuring mean that there is a lack of new employment opportunities in many rural areas</li> </ul>

Below is an analysis of the strengths and weaknesses of the key target groups set out in section 2.3 of the EQUAL CIP. In line with practice in a number of EU member states, the SWOT tables focus on strengths and weaknesses of each disadvantaged group rather than on opportunities and threats (which are of less relevance than strengths and weaknesses).

### *Target Group 1 – the disabled*

<b>BASELINE SWOT – THE DISABLED</b>	
<b>STRENGTHS</b>	<b>WEAKNESSES</b>
<ul style="list-style-type: none"> <li>▪ Government policy of preferential treatment for disabled people in the labour market (Law on Support for the Unemployed provides job placement opportunities for the disabled)</li> <li>▪ Increased numbers of disabled people have registered with TLEs suggesting that the disabled are now accessing the labour market in increased numbers</li> </ul>	<ul style="list-style-type: none"> <li>▪ Many disabled people do not have adequate skills and qualifications to enter the labour market</li> <li>▪ Workers with disabilities often have low income levels with many only receiving the minimum wage</li> <li>▪ Offices are invariably poorly adapted towards the needs of the disabled in terms of access issues etc.</li> </ul>

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<ul style="list-style-type: none"> <li>▪ The vocational training, retraining and re-qualification system for the disabled is in place</li> <li>▪ There are a large number of NGOs representing the interests of the disabled and the level of institutional capacity of these is relatively high</li> </ul>	<ul style="list-style-type: none"> <li>▪ Negative attitudes towards disabled people with mental disorders persist which constitutes a significant obstacle to labour market participation</li> <li>▪ The education and rehabilitation system is underdeveloped and does not effectively address the needs of the disabled</li> </ul>
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## Target Group 2 – the over 50s (persons of pre-retirement age)

BASELINE SWOT – PERSONS OF PRE-RETIREMENT AGE	
STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> <li>▪ There is a legal basis for combating discrimination on the grounds of age in Lithuania.</li> <li>▪ Legal protection is supported at an institutional level by the Council for Pensioners Issues which was set up by the Ministry of Social Security and Labour</li> <li>▪ There are a number of NGOs that represent the interests of workers of pre-retirement age. Many of these NGOs are pro-active</li> <li>▪ Since activity rates amongst the over 50s are low, encouraging their increased participation in the workplace represents an opportunity to increase labour participation rates overall and improve Lithuania's competitiveness</li> </ul>	<ul style="list-style-type: none"> <li>▪ Those of pre-retirement age have low labour participation rates (and activity rates are lower still amongst women)</li> <li>▪ Mismatch between the skills and qualifications of many older workers and rapidly evolving labour market requirements</li> <li>▪ Historically, professional specialisation in Lithuania was too narrow - many older workers therefore have outdated skills and lack core basic skills essential in modern workplaces such as ICT and foreign language skills</li> <li>▪ Negative attitudes persist towards older workers amongst many employers</li> <li>▪ Documented cases of discrimination in the labour market on the grounds of age</li> </ul>

## Target Group 3 –Young People

BASELINE SWOT – YOUNG PEOPLE	
STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> <li>▪ Several job centres for young people have been set up within Territorial Labour Exchanges</li> <li>▪ There are also specialised programmes for young people in TLEs</li> <li>▪ There are numerous NGOs working with/ representing the interests of young people. The level of capacity is generally quite high. Partnership arrangements between NGOs representing young people are well advanced compared with many other EQUAL target groups</li> </ul>	<ul style="list-style-type: none"> <li>▪ High structural youth unemployment</li> <li>▪ Lack of professional experience amongst many young people acts as a hindrance to accessing employment opportunities</li> <li>▪ In the post-transition period following independence, there was a high level of 'school drop-outs' i.e. those leaving the educational system without achieving the basic school leavers certificate</li> <li>▪ Unemployed youth often have inappropriate qualifications and lack basic skills such as communication and IT skills. A number of sub-groups amongst young people such as orphans, rural youth, teenage parents etc. are particularly badly effected</li> </ul>

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## Target Group 4 – Ex-Prisoners

BASELINE SWOT – EX-PRISONERS	
STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> <li>▪ Law on Support for the Unemployed provides support to ex-prisoners in obtaining short-medium term job placements</li> <li>▪ Most former prisoners are young people – with considerable potential for re-habilitation and re-entering the labour market</li> <li>▪ In some prisons, there are educational and employment opportunities for prisoners which provide valuable skills, training and work experience - increasing the likelihood of ex-prisoners finding employment upon release and reducing the likelihood of re-offending</li> <li>▪ A small number of TLEs located close to prisons work closely with ex-prisoners to help integrate / reintegrate them into vocational education and training and/ or employment</li> </ul>	<ul style="list-style-type: none"> <li>▪ Ex-prisoners often lack the necessary skills and qualifications to enter/ re-enter the labour market</li> <li>▪ As well as lacking core basic skills such as IT skills, many prisoners need help with regard to communication skills. Compounding this problem is the weak social integration of ex-prisoners</li> <li>▪ Limited opportunities to learn and study in prisons. In prisons where prisoners are provided with vocational training, education and / or employment opportunities, these are sometimes not taken up due to lack of motivation</li> <li>▪ There are only a limited number of NGOs dealing with the problems of ex-prisoners</li> </ul>

## Target Group 5 – People Suffering from Drug Addiction

BASELINE SWOT – DRUG ADDICTS AND FORMER DRUG ADDICTS	
STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> <li>▪ A number of rehabilitation centres have been set up to help drug addicts and to facilitate the re-integration into society and the labour market of ex-drug addicts</li> <li>▪ A number of support programmes for current and ex-drug addicts have been implemented</li> </ul>	<ul style="list-style-type: none"> <li>▪ Significant (and growing) numbers of drug addicts, predominantly men</li> <li>▪ Lack of rehabilitation centres at a regional level</li> <li>▪ Lack of skilled staff, need for improvements in the qualifications of those working with drug addicts</li> <li>▪ Rehabilitation limited to social isolation and occupational therapy; lack of multi-step, gradual assistance and integration programmes (especially relevant for teenagers)</li> </ul>

## Target Group 6 – National Minorities

BASELINE SWOT – NATIONAL MINORITIES	
STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> <li>▪ Non-discrimination legislation adopted supported by national policies to promote the interests of minorities including facilitating access to the employment market through targeted vocational training and educational provision</li> </ul>	<ul style="list-style-type: none"> <li>▪ Some national minorities are relatively disadvantaged in the labour market although previous research suggests that there are a complex range of explanatory factors behind this</li> <li>▪ Isolated cases of discrimination on the grounds of nationality, expressions of racism and</li> </ul>

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<ul style="list-style-type: none"> <li>▪ Specific programme adopted by Lithuanian government to assist the most disadvantaged minority, the Roma Community (<i>Programme for the Integration of Roma 2001-04</i>)</li> <li>▪ Strong institutional basis for protecting the interests of national minorities in Lithuania - the Department for National Minorities</li> <li>▪ National minority communities are generally well organised and active. There are a number of NGOs representing the interests of different minority groups</li> </ul>	intolerance
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## *Target Group 7 – those of a different sexual orientation*

BASELINE SWOT – SEXUAL ORIENTATION	
STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> <li>▪ The Lithuanian government has a general policy of non-discrimination. Lithuania must transpose Council Directives stemming from Article 13 of the EC Treaty into national law preventing discrimination in employment on the grounds of sexual orientation (amongst other grounds). This will provide a legal basis for preventing discrimination against gays – at least in the field of employment and access to training</li> <li>▪ The Lithuanian League of Gays, an NGO, is active in protecting the interests of people with a different sexual orientation</li> </ul>	<ul style="list-style-type: none"> <li>▪ Some evidence to suggests that the Lithuanian labour market is homophobic (men appear more homophobic than women) although robust data is absent</li> <li>▪ Lack of intervention from the Lithuanian Government to improve the situation</li> </ul>

## *Target Group 8 – Asylum Seekers*

BASELINE SWOT – ASYLUM SEEKERS	
STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> <li>▪ Uniform and non-discriminatory procedures are applied towards asylum seekers</li> <li>▪ An institutional framework has been set-up to deal with issues around asylum seekers.</li> <li>▪ Specific programmes for dealing with the social and employment problems faced by asylum seekers have been launched</li> </ul>	<ul style="list-style-type: none"> <li>▪ Asylum seekers that receive residency permits to stay in Lithuania often find it difficult to access the labour market due to a combination of the lack of suitable qualifications, linguistic and cultural issues</li> <li>▪ Majority of asylum seekers are from different cultural and religious backgrounds, which makes their integration into Lithuanian society more difficult</li> <li>▪ Social integration measures are too limited to satisfy the needs of those who have obtained refugee status or temporary residence in Lithuania</li> </ul>

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## Target Group 9 – Women in the Labour Market/ Gender Equality

BASELINE SWOT – WOMEN IN THE LABOUR MARKET	
STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> <li>▪ High priority has been given to achieving gender equality at national level. There have been considerable advances at a policy and institutional level to strengthen gender equality and a solid legal basis has been established</li> <li>▪ High activity rates amongst women compared with the EU average and lower levels of unemployment amongst women than men</li> <li>▪ Women's NGOs are very active in representing the interests of women in society and the labour market</li> </ul>	<ul style="list-style-type: none"> <li>▪ There is some research to show that men earn approximately 20% more than women in the Lithuanian labour market.</li> <li>▪ There is a lack of suitable (and affordable) childcare facilities meaning that it is difficult for many women to bring up young children and work at the same time (the issue of access to childcare facilities will partly be tackled through the Objective 1 programme)</li> <li>▪ Women are the main victims of people trafficking and prostitution – see target group 10</li> </ul>

## Target Group 10 – Victims of Trafficking

BASELINE SWOT – THE LONG TERM UNEMPLOYED	
STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> <li>▪ Specific pilot programmes have been set up by the Ministry of Labour to tackle the problem of reintegrating victims of people trafficking and prostitution back into the labour market</li> </ul>	<ul style="list-style-type: none"> <li>▪ Many former victims of trafficking/ prostitution have no skills, qualifications or vocational training and lack relevant work experience</li> <li>▪ Educational attainment levels are generally low</li> <li>▪ Those that do have an education and qualifications have often been out of the labour market for a long time meaning that their skills and qualifications are often out of date or they no longer have in practice the skills that they acquired on paper</li> </ul>

## Target Group 11 – the long-term unemployed

It should be emphasised that while the long-term unemployed are a specific target group in their own right under the Lithuanian EQUAL programme, this problem cuts across all the disadvantaged target groups set out above.

BASELINE SWOT – THE LONG TERM UNEMPLOYED	
STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> <li>▪ In line with the European Employment Strategy (EES), there has been a shift at policy level in Lithuania towards active rather than passive employment policy measures</li> <li>▪ As a result of the switch to active labour market policies, TLEs are now more pro-active in getting the unemployed either</li> </ul>	<ul style="list-style-type: none"> <li>▪ Long term structural unemployment remains a problem for many social groups – the over 50s and the under 25s are particularly affected</li> <li>▪ The over 50s often have outdated skills and qualifications stemming from over-specialisation and the fact that labour market requirements have changed rapidly over the past decade</li> </ul>

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<p>back into employment through job placement schemes or into vocational training and adult education</p> <ul style="list-style-type: none"> <li>▪ Some of those that are long-term unemployed including those who are single parents with children under 14, the disabled and ex-prisoners are able to obtain job placements through the <i>Law on Support for the Unemployed</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ The long-term unemployed have significantly lower educational attainment levels and qualifications than those unemployed for shorter periods making it more difficult for them to enter/ re-enter the labour market</li> </ul>
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### 3.3 National Policy Overview

#### *The Human Resource Development priority of the Objective 1 Single Programming Document and its linkage with national employment policy*

Of direct relevance to the EQUAL Community Initiative is the ESF dimension of the Objective 1 programme for Lithuania provided for under the Human Resource Development priority of the Single Programming Document (SPD). Investment through ESF will provide support to and supplement existing national employment policies in Lithuania, the objectives and targets of which are set out in the *National Programme for the Promotion of Employment 2001-2004* and the *Joint Assessment Paper on Employment Priorities in the Republic of Lithuania*. Based on the priorities established in these two strategy documents, ESF funds will be earmarked for the attainment of the following objectives:

- increase labour competencies and capabilities to adapt to labour market requirements
- improve quality of and access to education and vocational training
- reduce social exclusion and ensure wider social integration.

These objectives will be achieved through investment in the following five measures under Priority 2 (Human Resource Development) of the SPD:

1. Development of employability (targeted at the unemployed)
2. Increasing labour competencies and adaptation to change (targeted at existing employees)
3. Prevention of social exclusion and promotion of social integration
4. Promotion of conditions for lifelong learning.
5. Increasing the potential of R&D specialists

ESF assistance will cover all five policy areas identified in the ESF regulations taking into account national employment policy priorities. Clearly, the first four measures are all of relevance to the EQUAL programme – with some overlap in terms of target groups. It should be emphasised that interventions will however be complementary rather than duplicative.

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## *Improving the position of women in the labour market*

The *National Programme for the Promotion of Employment* provides for the following measures in this area:

- improve legal acts governing implementation of the principle of equal opportunities for men and women,
- achieve equal involvement of men and women in all areas of economic activities and equal pay for the same work,
- support women's small- and medium-size business, economic independence and self employment initiatives,
- create conditions for parents to combine work- and family-related duties (flexible work organisation forms, access to quality childcare services, social assistance to families etc.),
- elaborate and implement special training programmes for women returning to work after longer break, organise training in business organisation basics, increase awareness of unemployed women seeking self-employment.

To ensure equal opportunities for both parents to combine employment and family duties, the Law on Amending Articles 5,7,11,13,14,16<sup>1</sup>,19,20<sup>1</sup> and 22 of the Law on Support for the Unemployed (Žin. 2002, No. 2-51) establishes that any woman or man raising a child under 8 has equal rights to additional unemployment support and unemployment benefits. A National Programme of Equal Opportunities for Women and Men is being elaborated. It will provide for additional measures to ensure equal opportunities for seeking education, professional development, employment, promotion and equal pay and for organising a business of one's own.

The following ESF-financed activities are included in the Objective 1 Programme as measures aimed at improving women's position in the labour market:

- support for the reintegration of women returning to the labour market after a break including such activities as training and skills improvement combining it with vocational - consulting/guidance services
- consulting and training for women intending to start own business.

The implementation of these measures will involve support for innovation, the strengthening of local partnerships, and working with NGOs representing the interests of women in the labour market – all areas that should complement what the EQUAL Community Initiative is seeking to achieve.

As well as setting out key developmental priorities for the 2004-06 programming period, the Lithuanian Objective 1 SPD also sets out a longer term vision, replicated below:

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*By 2015, Lithuania will have achieved parity with the more prosperous EU Member States in terms of key social and economic indicators. Its people will enjoy a high quality of life based on a modern, knowledge-driven economy that exploits the country's many unique strengths.*

Supporting elements of the vision of relevance to EQUAL are:

- Development will be sustainable and compatible with the principles of environmental sustainability and social inclusion.
- Lithuania's citizens will have access to the full range of employment, education, training and learning opportunities required to achieve individual aspirations and potential.

The Human Resource Development priority under the Objective 1 programme will clearly have a direct bearing on achieving the long-term vision. A well-educated and highly skilled workforce is critical to economic growth and prosperity. Training schemes supported through ESF will have an important role in skills development. Training and education will, however, need to become more closely aligned to labour market requirements and, in particular, to the needs of key sectors. Economic growth combined with improvements in education and training provision should help bring about a significant reduction in unemployment from present levels. It should also be possible to reverse the recent decline in labour participation rates through economic growth, a rise in real wages and active labour market measures to encourage the integration of social groups that currently face obstacles to labour market participation and who are at an increased risk of social exclusion.

In order to achieve the objectives of the European Employment Strategy – in terms of improved employability, adaptability, entrepreneurship and equal opportunities – significant investment will have to be made in active employment policies to get the unemployed back into work and to improve the employability of those already in employment through investment in training and upskilling to help employees cope with new labour market demands.

To achieve the Lisbon objective of full employment by 2010 and to ensure that there are new and better employment opportunities for all, a number of activities will be supported under ESF through the mainstream Objective 1 programme. The implementation of these measures will be supported through new partnership mechanisms that will be developed through the EQUAL programme to remove obstacles to labour market participation and to tackle social exclusion amongst disadvantaged groups such as those that have left the school system without achieving their full potential (school drop outs), young people and the over 50s. Only through increasing activity rates (amongst disadvantaged groups) can Lithuania improve its social welfare as well as economic competitiveness. Indeed,

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previous research suggests that there is a close correlation between providing new employment opportunities and tackling social exclusion.

The EQUAL programme will complement mainstream ESF and existing national strategies for combating discrimination and inequality in the labour market and will also help to reduce levels of social exclusion. Whereas ESF measures under Objective 1 will focus on specific activities to help disadvantaged groups – such as vocational training and the provision of advice on starting a business/ self-employment, EQUAL will concentrate on building partnerships between key institutional and social actors and the private sector as well as on piloting new and innovative approaches to tackling problems faced by specific social groups in the labour market. Where successful, approaches piloted under EQUAL will be mainstreamed into Objective 1 ESF measures/ activities in future programming periods.

### 3.4 EQUAL's role within Lithuanian Employment Policies

*Note: this is a new section – please insert text into 3.4 (there is an issue as to whether we should include all of this text since there may be some overlap with section 3.1 of the CIP*

Before examining how the EQUAL programme fits in within the wider context of Lithuania's social and employment policies (particularly those focused on removing obstacles to labour market participation amongst disadvantaged groups) and measures to tackle social exclusion, we first recap on key policy developments set out in section 3.1: Over the past decade, Lithuania has taken a number of important steps to strengthen its social and employment policy framework and to bring national policies in to line with EU policy objectives – necessary as part of the process towards full EU membership and compliance with the four pillars of the European Employment Strategy (EES). The Joint Assessment of Employment Policy Priorities (JAP) undertaken between the Government of Lithuania and DG Employment and Social Affairs (Feb 2002) highlighted labour market trends and key social and employment policy developments and set out the necessary remaining additional steps and reforms that were needed in order to prepare the Lithuanian labour market for EU accession and EES.

In common with existing EU member states, as part of the preparatory process, there has been an increasing switch from 'passive' to 'active' labour market policies such as the provision of education and vocational training to the unemployed to help them improve their skills and confidence and gain new work experience as a prelude to re-entering the labour market.

Steps have also been taken to reform the Lithuanian social security system so that the unemployed are better incentivised to return to the labour market rather than remain on state unemployment benefit – for example, taxation rates for low income earners have been lowered and the tax-free threshold for low income earners has been increased.

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In respect of tackling social exclusion amongst disadvantaged social groups, Lithuania has adopted the *Law on Support for the Unemployed* – targeted at social groups that face particular difficulties in accessing labour market opportunities. The Law provides legal employment guarantees for certain groups – those under 18, women (and single fathers) with children under 14, persons within 5 years of reaching state pension age, newly-released prisoners and the disabled. The law provides for the setting of legally-enforceable employment quotas of individuals from these groups by private-sector employers. In recompense, employment subsidies are provided to those companies asked to provide employment to individuals from disadvantaged groups. This provides participants with invaluable work experience in a real work environment and enables new skills to be acquired that significantly enhance their employability.

Another employment policy initiative of relevance is the Lithuanian Government's National Programme for Increasing Employment from May 2001 which sought to create between 110,000 and 120,000 new jobs over the 2001-04 period. The strategy document also includes measures to support the increased employment of specific disadvantaged groups (also covered by EQUAL) such as the disabled and women through the provision of vocational education and training opportunities.

Additionally, a number of Local (Employment) Action Groups have been set up across Lithuania. LAGs are essentially social partnership mechanisms between Territorial Labour Exchanges (TLEs), social partners, NGOs and local employers that work together to try and provide employment opportunities to those at risk of social exclusion such as the long-term unemployed, the disabled etc. The objective of setting up LAGs was to try and get local communities to put forward solutions to unemployment and social exclusion problems through partnership working. The initiative therefore has a strong bottom-up focus.

The JAP identified a number of employment policy priorities going forward of relevance to EQUAL. These included the need to reduce unemployment and address structural unemployment issues (e.g. long-term unemployment and unemployment amongst the over 50s, under 25s), stem the decline in labour participation rates and transform the education and vocational training system so that it is more closely focused on labour market needs. Finally, a key priority identified was the need to tackle social exclusion through the provision of employment and training opportunities to disadvantaged individuals. A follow-up to the JAP was published looking at progress towards achieving objectives. Key findings are set out in the table below:

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## *Progress towards Addressing Key JAP Priorities*

- An increasing level of resource (12% compared with 8% in 2001) is being devoted to active labour market measures. Lithuania still lags behind the EU average – 20%
- Considerable progress has been made in respect of reform of the tax and benefit systems to incentivise the unemployed back into work
- The raising of the tax-free threshold on low incomes has benefited low wage earners in particular
- Changes have been made to the rules governing eligibility for income support to assist low income families and single persons on low incomes living alone
- A national strategy to promote lifelong learning is under development
- Steps have been taken to tackle structural unemployment issues. Changes to the law mean that active labour market policies can now be used to support those aged 16-25 as well as the long-term unemployed (>2 years)
- Preparations at an institutional level are underway for the implementation of ESF
- Building on experience gained from supporting 16 local employment initiatives, a Strategy for the Development of Local Employment Initiative Projects 2002-04 has been developed

*Source: Synopsis of JAP Progress Report, June 2002*

The mainstream Objective 1 programme will also have an impact on the target groups that will be assisted through EQUAL. Measure 1 – the development of employability for the unemployed in general and the long-term unemployed in particular is likely to have a favourable impact on addressing social exclusion – for example amongst the young unemployed and the over 50s. Measure 3, which deals with social exclusion, is also likely to have significant positive benefits in terms of reducing social exclusion amongst key target groups such as the disabled, young people and national minorities, as well as those living in more peripheral areas that are disadvantaged in the labour market due to the difficulty in accessing education and vocational training. Measure 4 will also be of benefit to a specific vulnerable group in Lithuania – young people that dropped out of education without obtaining a basic level education certificate – a problem particularly common during the early post-independence years.

### *Human Resource Development – Measures, Key Issues and Likely Impacts*

<b>Priority 2:</b>	<b>Problems identified in Baseline Assessment of SPD</b>	<b>Anticipated impact on labour market</b>
Measure 1: Development of Employability	Structural unemployment (youth and long-term), high levels of unemployment amongst the over 50s, low level of educational attainment amongst unemployed, large regional and inter-regional variations in unemployment rates	<ul style="list-style-type: none"> <li>• Reduction in national unemployment rate (particularly structural unemployment)</li> <li>• Convergence of inter-regional disparities</li> <li>• Increase in employability of the unemployed</li> </ul>
Measure 3: Prevention of social exclusion and social integration	Low labour participation rates amongst disadvantaged groups, practical barriers to labour force participation (e.g. access issues in peripheral areas, lack of suitably adapted facilities for disabled in the workplace etc.) direct and indirect forms of discrimination, large regional and inter-regional variations in labour participation rates, unemployment rates	<ul style="list-style-type: none"> <li>• Increase in labour force participation amongst disadvantaged groups</li> <li>• Reduction in levels of social exclusion amongst key target groups such as disabled, young people, ethnic minorities etc.</li> <li>• Improved access to education and vocational training and employment services for</li> </ul>

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	and levels of social exclusion, increasing prison population	inhabitants of peripheral areas
Measure 4: Development of conditions for lifelong learning	Absence of culture of lifelong learning, high albeit declining numbers of 'school drop-outs' (those that failed to complete the basic education certificate), low levels of flexible working practices (such as part-time working, teleworking) amongst Lithuanian businesses	<ul style="list-style-type: none"> <li>• Reduction in no. of school 'drop-outs' and increase in no. of 'second-chance' learners</li> <li>• More flexible labour market as measured by an increase in adoption of flexible working practices/ new forms of work organisation by Lithuanian employers</li> <li>• Development of culture of lifelong learning measured by increase in adult education</li> </ul>

The measures set out above under the Objective 1 programme will benefit many of the same target groups that the EQUAL programme will also seek to assist. However, it should be emphasised that while there is an overlap in terms of target groups between the two programmes, there should not be any degree of duplication. The innovative nature of the EQUAL programme means that interventions will be highly complementary to existing employment policies and to the implementation of the mainstream Objective 1 programme.

EQUAL will focus on building the social partnership mechanisms (Development Partnerships) necessary to tackle social exclusion in a much more effective way than is currently the case. The EQUAL programme will also provide an opportunity to adapt and tailor good practices from elsewhere in Europe through the transnational dimension of the programme. There are likely to be significant synergies with the main Objective 1 programme in Lithuania in that partners participating in DPs will be able to draw on the positive experiences gained through EQUAL and mainstream good practices. This should indirectly help to ensure that Objective 1 expenditure in the Human Resource Development field benefiting disadvantaged groups is utilised as effectively as possible.

In terms of how EQUAL will fit in to the wider employment policy framework in Lithuania, EQUAL will deliver value added to existing employment initiatives through the creation of new social partnership structures through which new ideas can be tested and piloted – which can then be mainstreamed and 'rolled-out' across Lithuania, where the pilot proves particularly successful. To take a hypothetical example, Territorial Labour Exchanges in Lithuania already place individuals from disadvantaged groups in the workplace – in accordance with the Special Law for the Unemployed. Under EQUAL, there will be an opportunity for individual TLEs or small groups of TLEs to form a DP with key actors in their area to examine different ways of working which may lead to more effective job placement schemes being set up – for example, through a better understanding gained through dialogue within the framework of the DP about the labour needs of key private sector players in their local area.

In terms of the weaknesses of employment policies in Lithuania, research undertaken by the ex-ante team suggests that while an effective policy framework to tackle social exclusion issues is now in place, there is a disconnect between key social partners –i.e.

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government ministries, NGOs and the private sector in that there is a general absence of a suitable forum in which to discuss issues of mutual interest. The EQUAL Community initiative should plug this gap by helping to encourage closer partnership, collaboration and discussion between the public, private and voluntary sectors leading to a better understanding of how common problems might be tackled.

There will also be value added from getting the voluntary sector to collaborate more closely and to work together in partnership. While there is some previous experience of joint working between NGOs, this has largely been confined to those serving a given target group – such as women, the disabled or national minorities. EQUAL should provide a suitable forum for more extensive networking to take place between voluntary sector groups from a diverse variety of backgrounds with all the attendant benefits that this implies in terms of increased opportunities for sharing and exchanging good practices, learning from previous experience across different thematic areas and examining whether a given good practice can be transferred and tailored depending on the specific needs of a particular target group.

As set out in the section dealing with implementation arrangements, careful attention will be paid by the Managing Authority (MoSSL), Monitoring Committee, Project Selection Committee and Implementing Agency (HRDPSF) to ensure that actions supported under EQUAL demonstrate *complementarity* i.e. add value to measures supported through ESF under the mainstream Objective 1 Programme in Lithuania. The selection process will include procedures for ensuring that projects are not double financed and to encourage project promoters to avoid submitting project applications under both EQUAL and the Objective 1 SPD that are too similar in scope.

The EQUAL programme should contribute to reducing labour market inequalities and tackling social exclusion at three levels – individual, organisational and societal. It will reinforce existing national employment policies and provide the necessary partnership-based mechanisms for tackling current social and employment problems in an innovative way.

## Section 4

### Choice of Themes

See next page

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After consultation, it was agreed that since the 2004-06 period will be the first time that Lithuania has implemented EQUAL, the number of themes will be limited to two rather than the four initially discussed. The Commission concurred with the decision to focus on a limited number of themes – particularly in view of the short programming period. While a number of additional other themes – Lifelong Learning, for example – could also have been supported, the consensus was that only two themes plus the mandatory theme of asylum seekers should be supported in order to make the programme as manageable as possible. Additionally, it was felt that Lifelong Learning as well as other potential EQUAL themes were already being supported through ESF measures under the mainstream Objective 1 programme.

## **Assessment of Complementarity – Comparative Analysis between the Objective 1 SPD (mainstream ESF) and the EQUAL CIP**

The following tables provide an overview of the four relevant ESF-financed Human Resource Development measures that will be supported through Priority 2 of the Lithuanian Objective 1 SPD. We review activities that will be supported under each of the four HRD measures as well as key target groups. We then examine the baseline assessment for EQUAL and activities that will be supported under themes A, G and I and assess how these relate to measures that will be supported under mainstream ESF. We then identify areas where there are likely to be overlaps both in terms of different target groups and activities and assess the extent to which these potential overlaps will be complementary or duplicative.

We also highlight areas where the institutions<sup>3</sup> involved in the implementation of mainstream ESF under the Objective 1 programme 2004-06 and EQUAL will need to pay particular attention to avoiding potential duplication and ensuring complementarity.

Please note that the list of activities eligible for support under both the Objective 1 SPD and the EQUAL CIP are indicative only. In both programmes, the list of possible supported activities has purposefully been kept fairly broad in order that there is scope for flexibility once programme implementation begins. Supported activities will be more clearly defined in the Programme Complement. The list of supported activities should not therefore be regarded as exhaustive.

<sup>3</sup> The Ministry of Social Security and Labour will be the responsible Managing Authority for EQUAL while the Ministry of Finance as the Managing Authority of the Objective 1 programme. The Implementing Agency for both EQUAL and mainstream ESF will be the Human Resource Development Programme Support Foundation

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(1) Priority 2, Measure 1, Obj 1 SPD:	(2) Problems identified in Baseline Assessment of SPD	(3) Activities to tackle baseline problems set out in SPD (2)	(4) Problems identified in Baseline Assessment of EQUAL CIP	(5) Activities to tackle baseline problems set out in CIP (4)	Complementarity/ Duplication between SPD and CIP
<p>Measure 1: Development of Employability</p>	<p>-Structural unemployment (youth and long-term), high levels of unemployment amongst over 50s, low educational attainment levels amongst the long-term unemployed –Regional and inter-regional variations in unemployment rates -High levels of school drop-outs -Increasing numbers of ex-prisoners (esp. the young) and the need to re-integrate them back into the labour market -Older workers often have outdated skills and qualifications and need to upgrade them to access the labour market -Disabled face problems accessing employment opportunities. Many workplaces unsuitably adapted for those with physical disabilities</p> <p><b>Target Groups:</b> the unemployed in general, the long-term unemployed in particular, the over 50s, the under 25s (focusing in particular on school drop-outs)</p>	<ul style="list-style-type: none"> <li>• Vocational education &amp; training for the unemployed</li> <li>• Improvement of core skills including language and ICT</li> <li>• Improvement in the quality and effectiveness of training provision</li> <li>• Development of vocational information, guidance and counselling services</li> <li>• Active labour market policies for the unemployed such as provision of on-the-job training and related support services</li> <li>• Measures to increase the motivation of the unemployed to find work - by promoting the development of individual employment plans.</li> <li>• Prevention programme for those that have received redundancy notices due to companies restructuring and/ or updating technologies resulting in reduced manpower needs</li> </ul>	<p>-Structural unemployment (long-term, youth, over 50s) identified as major problem in CIP -High levels of school drop-outs -Growing numbers of drug addicts -Increasing numbers of ex-prisoners (esp. the young) and the need to re-integrate them back into the labour market -Older workers often have outdated skills and qualifications and need to upgrade them to access the labour market -Asylum seekers find it difficult to obtain employment due to inappropriateness of their skills and qualifications -Disabled face problems accessing employment opportunities. Many workplaces unsuitably adapted for those with physical disabilities -Negative stereotypes persist amongst employers/ employees towards employment of many disadvantaged individuals esp. drug addicts, the mentally disabled, ex-prisoners -Large numbers of victims of trafficking, particularly women -Many disadvantaged individuals need to upgrade skills and qualifications or will face prospect of long-term unemployment</p> <p><b>Target Groups:</b> Long-term unemployed, over 50s, under 25s,</p>	<p><b>Theme A: Facilitating access and return to the labour market</b></p> <ul style="list-style-type: none"> <li>• Measures to identify groups suffering from discrimination in workplace</li> <li>• Needs identification for different target groups &amp; analysis of reasons behind inequality / labour market obstacles for different target groups</li> <li>• Facilitating access to training, vocational guidance and counselling to disadvantaged groups / those that face inequality</li> <li>• Dissemination of information about EQUAL target groups to employers to raise awareness of problems affecting some social groups in accessing the labour market.</li> <li>• Work with social partners aimed at improving employability of individuals from key target groups</li> <li>• Dissemination and transfer of European good practice to key social partners, employers and employees.</li> <li>• Measures aimed at overcoming negative stereotypes with regard to EQUAL target groups amongst employers/ employees.</li> <li>• Measures to support the motivation and self-confidence of those suffering from discrimination.</li> <li>• Develop, pilot and implement retraining programmes for men and women to facilitate return to the labour market after a long</li> </ul>	<ul style="list-style-type: none"> <li>• EQUAL will have greater focus on needs identification of specific target groups whereas Measure 1, Priority 2 of SPD will adopt a generalist approach to helping the unemployed back into work focusing on practical measures such as vocational education and training, career counselling etc.</li> <li>• Some similarities in terms of target groups but different types of initiatives likely to be supported. EQUAL will place emphasis on piloting new approaches to tackling unemployment and on the exchange of good practices at a European level.</li> </ul>

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			the disabled, ex-prisoners, victims of trafficking, asylum seekers, ex-drug addicts	interval • Measures aimed at decreasing exclusion of target groups from ICT	
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(1) Priority 2, Measure 2, Obj 1 SPD:	(2) Problems identified in Baseline Assessment of SPD	(3) Activities to tackle baseline problems set out in SPD (2)	(4) Problems identified in Baseline Assessment of EQUAL CIP	(5) Activities to tackle baseline problems set out in CIP (4)	Complementarity/ Duplication between SPD and CIP
<p>Measure 2: Development of Labour Force competencies &amp; ability to adapt to change</p>	<p>-Mismatch between existing skills/ qualifications of workforce and rapidly changing labour market requirements, particularly amongst older workers -Lack of appropriate vocational training and apprenticeship/traineeship opportunities for the young -Low level of adoption of flexible working practices in Lithuania e.g. part-time working, term-time working etc. Reluctance by many employers to offer flexible working to actual and potential employees. More needs to be done to encourage Lithuanian businesses to recognise the business benefits of flexible working</p> <p><b>Target Groups:</b> those in employment, the unemployed under 25 and over 50</p>	<ul style="list-style-type: none"> <li>• Training support for managers and employees of companies that plan to introduce new technologies/ new products</li> <li>• Basic core skills training for employees</li> <li>• Apprenticeships and traineeships for students and unemployed youths in industry and business</li> <li>• Retraining / upgrading of qualifications for those living in areas experiencing structural reform/ the privatisation of former state owned enterprises</li> <li>• New forms of work organisation in companies</li> <li>• Strengthening of social partnership at an industry/branch/sector level and the provision of training and dissemination of information to social partners</li> </ul>	<p>-Obstacles faced by those in employment from disadvantaged groups in accessing better employment opportunities. For example, disabled workers often only receive the minimum wage. -Older workers often have outdated skills/ qualifications and need assistance in adapting to rapidly changing labour market requirements -Women that have recently returned to the workforce need particular help in respect of retraining to ensure their qualifications/ skills are up to date. -Absence of flexible forms of work organisation is a hindrance to women seeking employment particularly those with children/ elderly relatives</p> <p><b>Target Groups:</b> the unemployed under 25 and over 50, the disabled, women (and in case of flexible working, women returners/ those returning to labour force after long interval)</p>	<p><i>Theme A: Facilitating access and return to the labour market and Theme G: Reconciling family and professional life, development of flexible forms of work organisation</i> both relevant.</p> <ul style="list-style-type: none"> <li>▪ Dissemination of European experiences to social partners, institutions, employers and employees.</li> <li>▪ Facilitating access to training, vocational guidance, counselling to groups suffering from inequality /discrimination in the workplace</li> <li>▪ Training and upgrading the skills and qualifications of staff providing training, vocational guidance, counselling and other services of assistance to all target groups</li> <li>▪ Situation analysis, needs identification, drafting of recommendations and devising of programmes to help reconcile family and professional life.</li> <li>▪ Work with social partners to facilitate the recruitment and retention of members of target groups.</li> <li>▪ Under Theme G, activities to encourage wider adoption of flexible forms of work organisation by Lithuanian</li> </ul>	<ul style="list-style-type: none"> <li>• Some overlap possible since both Obj 1 and EQUAL will support the strengthening of social partnership.</li> <li>• However, whereas support for social partnership under the Obj 1 programme will concentrate on assisting the unemployed in general (as well as those already in employment) social partnership activities under EQUAL will focus on assisting specific disadvantaged target groups - and on the development of new methodological approaches to solving unemployment problems amongst such groups</li> <li>• The Managing Authority for EQUAL will take steps to avoid potential duplication through close liaison with those dealing with mainstream ESF</li> </ul>

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				<p>businesses through promoting the business benefits will be supported. Info will be disseminated through DPs</p> <ul style="list-style-type: none"> <li>▪ Provide opportunities for social groups such as women returners with young children and those caring for relatives/ the disabled back into employment.</li> <li>▪ Develop and pilot childcare facilities and facilities to look after the elderly and disabled</li> <li>▪ Develop and pilot new ways of encouraging employers to provide job intervals</li> <li>▪ Encouraging men play greater role in child care and to take paternity leave.</li> </ul>	
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(1) Priority 2, Measure 3, Obj 1 SPD:	(2) Problems identified in Baseline Assessment of SPD	(3) Activities to tackle baseline problems set out in SPD (2)	(4) Problems identified in Baseline Assessment of EQUAL CIP	(5) Activities to tackle baseline problems set out in CIP (4)	Complementarity/ Duplication between SPD and CIP
Measure 3: Prevention of social exclusion and social integration	<p>-Low labour participation rates amongst individuals from disadvantaged groups, practical barriers to labour market participation (e.g. access issues in peripheral areas, lack of suitable facilities for disabled in workplace etc.)</p> <p>-Direct/ indirect forms of discrimination, large regional/ inter-regional variations in labour participation &amp; unemployment rates.</p> <p>-Social exclusion problems amongst many disadvantaged groups</p> <p><b>Target groups:</b> All main disadvantaged social groups in Lithuania such as the disabled, the</p>	<ul style="list-style-type: none"> <li>▪ Provision of vocational education and training to all socially vulnerable groups</li> <li>▪ Improvements in access to training and education for disadvantaged social groups</li> <li>▪ Specific activities to improve the situation of women in the labour market.</li> <li>▪ Support for women returning to the labour market after a long absence</li> <li>▪ Support for older women who face difficulties integrating into professional life</li> <li>▪ Support for women that intend to start their own business.</li> <li>▪ Counselling support and access to vocational education and training for other key target</li> </ul>	<p>-Low labour participation rates amongst disadvantaged groups, direct and indirect barriers to labour participation (e.g. access issues in peripheral areas, lack of suitably adapted facilities for disabled in workplace etc.)</p> <p>-Potential role of flexible working in helping integrate women returners / those looking after dependents such as elderly relatives back into the labour market is not being fully utilised</p> <p>-Asylum seekers often have inappropriate skills and qualifications to enter the Lithuanian labour market</p> <p>-Prisoners often have inappropriate skills to enter/ re-enter the labour market. This is</p>	<p><i>Theme A: Facilitating access and return to the labour market and Theme G: Reconciling family and professional life, development of flexible forms of work organisation</i></p> <ul style="list-style-type: none"> <li>▪ Situation analysis, needs identification, drafting of recommendations and devising of programmes to help reconcile family and professional life.</li> <li>▪ Development and piloting of projects to provide child care facilities/ nursing facilities for the elderly and/ or other dependents such as some disabled people</li> <li>▪ Actions to eradicate stereotypical roles of men and women in the family to encourage women's further integration in the labour market.</li> <li>▪ Upgrading the qualifications and</li> </ul>	<ul style="list-style-type: none"> <li>• Of all HRD measures, Measure 3 of the SPD corresponds most closely with EQUAL in terms of key target groups. There appears to be some overlap in possible supported activities. However, any overlap will be complementary not duplicative. EQUAL will concentrate on piloting new approaches and strengthening social partnership to tackle access to employment issues faced by key target groups which will then be mainstreamed through Obj 1</li> </ul>

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	<p>young, the old, national minorities, ex-prisoners and ex-drug addicts</p>	<p>groups at high risk of exclusion e.g. ex-prisoners, drug addicts and the disabled to facilitate occupational and work rehabilitation</p> <ul style="list-style-type: none"> <li>The training of specialists to work with disabled people and enhance their professional qualifications.</li> </ul>	<p>also a problem for victims of trafficking, who in addition to vocational education and training need access to counselling services</p> <p><b>Target groups:</b> key disadvantaged social groups such as the disabled, the young, the old, national minorities, ex-prisoners and ex-drug addicts as well as victims of trafficking</p>	<p>skills of staff providing training, vocational guidance, counselling and other services to disadvantaged target groups</p> <ul style="list-style-type: none"> <li>Actions to ensure that target groups do not fall victim to the digital divide and benefit fully from the opportunities provided by ICT.</li> <li>Development &amp; piloting of new initiatives to help (re)integrate disadvantaged individuals that experience difficulties accessing/returning to labour market e.g. prisoners, women returners</li> <li>Measures to give individuals suffering from discrimination increased motivation and self-confidence.</li> <li>Measures aimed at surmounting negative stereotypes among employers and employees concerning target groups.</li> </ul>	<ul style="list-style-type: none"> <li>The Managing Authority will ensure that all activities supported are complementary rather than duplicative. Additionally, procedures will be set up to ensure that projects are not funded under both Obj 1 ESF and EQUAL that are too similar in character</li> <li>Close liaison between those responsible within MoSSL for EQUAL and those responsible for mainstream ESF will be essential as will close liaison between the respective departments responsible for Obj 1 ESF and EQUAL within implementing agency, the HRDPSF</li> </ul>
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(1) Priority 2, Measure 4, Obj 1 SPD:	(2) Problems identified in Baseline Assessment of SPD	(3) Activities to tackle baseline problems set out in SPD (2)	(4) Problems identified in Baseline Assessment of EQUAL CIP	(5) Activities to tackle baseline problems set out in CIP (4)	Complementarity/ Duplication between SPD and CIP
<p>Measure 4: Development of conditions for lifelong learning</p>	<p>-Absence of culture of lifelong learning, high albeit declining numbers of 'school drop-outs' (those that failed to complete the basic education certificate) -Low although rapidly growing proportion of adults in further education</p> <p><b>Target Groups:</b> All adult learners, women returners, school drop-outs</p>	<ul style="list-style-type: none"> <li>Development of quality assurance system for lifelong learning</li> <li>Investment in training for Further Education (FE) teachers to improve human resource capability of the FE sector to improve quality of lifelong learning system</li> <li>Preparation and publication of materials necessary for the provision of life long learning</li> <li>Creation of mechanisms to reduce number of 'drop-outs'</li> <li>Research to ensure optimum development of lifelong learning</li> </ul>	<p>-High levels of 'school drop-outs' not completing basic education certificate -Women returners returning to the labour market after long periods away need help in accessing vocational education and training. For many, further education/ adult education will be of more relevance than higher education -Older workers often find that their skills and qualifications are outdated / have not kept pace with changes in the workplace and rapidly evolving labour market requirements</p>	<p>Lifelong learning considered as an EQUAL theme for 2004-06 but rejected on basis that it may overlap with Obj 1. However, some activities under EQUAL will benefit lifelong learning indirectly, as set out below:</p> <ul style="list-style-type: none"> <li>Upgrading qualifications and skills of staff providing training, vocational guidance, counselling and other services to disadvantaged target groups</li> <li>Facilitating access to training, vocational guidance, counselling to groups suffering</li> </ul>	<ul style="list-style-type: none"> <li>EQUAL will not cover lifelong learning directly. Many pilot activities under EQUAL will however encourage disadvantaged individuals from key social target groups to re-enter education and training through for example working with youth NGOs. Activities supported will be complementary not duplicative</li> </ul>

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		<p>system, including qualifications</p> <ul style="list-style-type: none"> <li>• Development of the system for assessing knowledge and competencies</li> <li>• Diversification of training and learning forms</li> <li>• Development of databases for monitoring lifelong learning system in Lithuania</li> <li>• Project preparation support</li> </ul>	<p>-Other disadvantaged target groups such as the disabled need to update their qualifications in order to access employment opportunities</p> <p><b>Target Groups:</b> Women returners, the disabled, the over 50s, the under 25s, victims of trafficking, school drop-outs</p>	<p>from /discrimination in the workplace inequality in the</p>	
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## 4.2 Quantification of Objectives, Indicators, Monitoring and Evaluation

Commission Regulation 1260/99 requires the objectives of Structural Fund programmes and the Community Initiatives to be quantified wherever possible. There are of course inherent difficulties with regard to quantifying the outcome of activities supported under the EQUAL programme because of the intangible nature of many of both objectives and impacts. Impacts such as the strengthening of social partnership mechanisms resulting in increased co-operation and joint working between key institutional actors at national, regional and local governmental level, the private sector (particularly SMEs) and NGOs/voluntary groups are inherently difficult to measure.

Similarly, it is difficult to quantify the impacts of information and dissemination campaigns on those attending information seminars/ or those encountering publicity material funded through EQUAL (e.g. articles raising awareness of the problems faced by disadvantaged groups in accessing employment opportunities, articles on the business benefits of flexible working etc.). Again, while the transnational dimension of EQUAL will undoubtedly be of value added to key actors from the public, private and voluntary sectors, the impact will be difficult to quantify. Finally, while there will evidently be value added from the mainstreaming of good practices derived from activities piloted under EQUAL at a national level, it will be difficult to assess these impacts quantitatively.

In summary, many of the impacts associated with EQUAL best lend themselves to *qualitative* evaluation with many of the impacts being of a largely intangible nature. Experience of the implementation of EQUAL in other EU15 countries to date confirms that the quantification of objectives is more difficult for the Community Initiative Programmes because of their innovative nature than for more traditional types of Structural Fund interventions.

In terms of the likely impacts of EQUAL in a Lithuanian context, experience elsewhere suggests that EQUAL delivers value added firstly through the tackling of common problems by pooling and sharing expertise between key actors that traditionally have not worked together in close concert and secondly by testing innovative ways of dealing with a) access to employment issues and b) social exclusion problems amongst disadvantaged groups. While the CIP baseline assessment identifies a number of previous examples of successful social partnership mechanisms and joint working, research undertaken by the ex-ante team suggests that collaboration between the public, private and voluntary sectors has hitherto been under-developed in Lithuania and that EQUAL will play a considerable role in helping to foster a culture of partnership between very different stakeholder groups – a pre-requisite for tackling unemployment amongst disadvantaged groups and alleviating complex social problems.

Despite the factors outlined above which complicate the quantification of objectives, basic 'inputs' and 'outputs' can nevertheless still be quantified even if qualitative evidence will be needed to interpret the numbers and assess real impacts. For example, *the number of Development Partnerships set up on a sectoral and territorial basis* can be

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monitored. Similarly, the *number of information and dissemination seminars held by DPs* can be monitored.

The Commission Guidelines for Monitoring and Evaluation of the Human Resources Initiative EQUAL 2000-2006 from July 2000 provide guidance on the minimum input and output indicators that need to be collated in order for the volume of activity under EQUAL to be collated. Based on Commission guidance, below we set out suggested indicators for the monitoring framework for the Lithuanian EQUAL programme. The first table deals with inputs, the second with outputs. Note: {the table appears on the next page}.

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<b>Theme A (facilitating access and return to labour market) – Indicators</b>
Funding (million €)
Average Amount spent on setting up DP/TC (million €)
Numbers of DP/TC set up (number)
Average number of partners in DP/TC (av. No.)
Average number of national events attended per DP (number per year)
Average number of European events attended per DP (number per year)
Number of individuals that have benefited from access to vocational and education training through measures supported through DPs (number – broken down by target group type)
Number of individuals that have benefited from measures to boost motivation and self-confidence (number – broken down by target group)
Number of staff that work with individuals from disadvantaged social groups that have received professional training and skills upgrading (number)
Number of measures supported that seek to overcome negative stereotypes (number)
Number of dissemination events held relating to facilitating access to the labour market/ awareness raising amongst employers about the needs of disadvantaged groups (number of events – broken down by event theme)
<b>Theme G (reconciling family life) – Indicators</b>
Funding (million €)
Average Amount spent on setting up DP/TC (million €)
Numbers of DP/TC set up (number)
Average number of partners in DP/TC (av. No.)
Average number of national events attended per DP (number per year)
Average number of European events attended per DP (number per year)
Number of measures/ initiatives developed/ piloted to reconcile family and professional life (e.g. childcare schemes, schemes to provide care to the elderly/ disabled etc.) (number of measures per DP)
Number of staff that work with individuals from disadvantaged social groups that have received professional training and skills upgrading (number)
Number of dissemination events held relating to worklife balance and flexible forms of working (number of events – broken down by event theme)

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<b>Theme I (asylum seekers) - Indicators</b>
Funding (million €)
Average Amount spent on setting up DP/TC (million €)
Numbers of DP/TC set up (number)
Average number of partners in DP/TC (av. no.)
Average number of national events attended per DP (number per year)
Average number of European events attended per DP (number per year)
Number of courses held for asylum seekers to facilitate social integration into Lithuanian society and labour market (number)
Number of staff trained at institutions dealing with asylum seekers (number)

*Note: DP – Development Partnerships, TC – Transnational Co-operation.*

It should be noted that the level of funding – the first indicator under each theme is an input indicator, the other indicators are output indicators.

In addition to collating monitoring data in respect of the formal indicators set out above, more detailed monitoring data will be gathered on a number of issues such as the characteristics of beneficiaries and the activities of DPs in order that as comprehensive a picture as possible can be built of the impact that individual DPs have had in Lithuania – which will be properly assessed through the ex-post evaluation of the EQUAL Community Initiative in Lithuania.

The frequency of reporting i.e. how often DPs must report monitoring data to the EQUAL monitoring committee at national level will be determined at a later stage once the monitoring committee has been set up. Experience elsewhere suggests that a balance needs to be struck between building a comprehensive picture of what EQUAL is achieving through monitoring data on the one hand but not over-burdening DPs with extra administrative work on the other.

Lessons from previous evaluation experience - particularly ESF under Objective 2 – suggests that the scope for forecasting errors in target setting can be considerable. Nevertheless, the MoSSL has quantified targets in the table above based on knowledge of the number of applications under the pre-accession programmes – particularly the HRD dimension of PHARE ESC and the ACCESS programme for NGOs. Nevertheless, it should be remembered that it is impossible to accurately predict the number and type of DPs that will subsequently materialise.

With regard to impacts, the impacts of EQUAL can only be properly assessed qualitatively – one of the main impacts that future evaluations of EQUAL in Lithuania will focus on is the extent to which mainstreaming into national social and employment policies has taken place. Since EQUAL will mainly be funding innovative and experimental development projects it will not be appropriate to look at impacts in

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traditional ways – such as the numbers of beneficiaries going into jobs or gaining other positive outcomes such as self-employment, new qualifications etc.

Assessing softer outcomes may also potentially be important in the context of the overall measurement framework. Given that many unemployed disadvantaged individuals suffer from multiple disadvantage – often combined with discrimination and prejudice - traditional performance indicators such as the number of beneficiaries gaining a new qualification or accessing formal training may not be appropriate given that recipients of training or job placements may have a very long way to go before they are able to enter/re-enter fully into the labour market (e.g. ex-prisoners, ex-drug addicts, ex-victims of trafficking). For example, in the UK, the national ESF team has tried to incorporate a wider assessment of the success of EQUAL projects which *'looks at the progress of individuals against their own aims set while on the project. Some measure of the 'distance travelled' towards labour market integration might provide a more complete measure of the wider contribution of EQUAL'*. However, it is widely recognised that while measuring the 'distance travelled' by disadvantaged beneficiaries could usefully be incorporated into project monitoring, this is difficult to achieve in practice. However, from a qualitative perspective, it will be important for DPs in Lithuania to focus not only on hard outcomes achieved but also on qualitative evidence of progress made by the individual participants in pilot projects.

### *Evaluation*

An ex-post evaluation will be carried out in 2007 when the EQUAL programme comes to an end. However, it is clearly important that the monitoring and evaluation framework – including indicators etc. is set out prior to programme implementation. It is also important that a general culture of evaluation is fostered since evaluation should help identify valuable lessons from pilot initiatives supported under EQUAL that can be mainstreamed into national social and employment policies. Evaluation will also clearly play an important role in helping to improve the effectiveness of any future EQUAL programme. Moreover, it is worth highlighting that the Commission advocates in its guidelines on EQUAL that each DP should embrace a culture of self-evaluation (in accordance with the principle of empowerment).

In addition to carrying out continuous assessment, each DP will endeavour to retain as much useful qualitative information as possible – both to facilitate evaluation and so that the impacts of measures, activities and initiatives – whose outcomes will often be largely qualitative / intangible in nature - can be effectively assessed. The more information retained on the characteristics of DPs (successes achieved and difficulties encountered) the better from an evaluation perspective.

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## 4.2 Impact of EQUAL on individual Target Groups

The EQUAL programme in Lithuania will play an important catalytic role in strengthening social partnership mechanisms between key actors working with the disadvantaged target groups set out in the baseline assessment. As well as helping to pilot new methodological approaches at an institutional level to eliminate labour market obstacles, EQUAL will also have a direct impact on individuals from key target groups themselves through pilot schemes and activities supported through the work programmes of the DPs – both directly and indirectly.

Examples of the sorts of activities that will benefit individuals *directly* might include projects to help improve the employability of disadvantaged individuals through, for example, improved access to vocational and education training opportunities, career counselling and personal employment plans.

Individuals from disadvantaged groups will also benefit *indirectly* from the EQUAL programme. For example, support will be provided under both Theme A and Theme G to upgrade the qualifications and skills of those providing vocational training, careers counselling and other forms of advice and guidance to individuals from disadvantaged groups. In other words, there will be support to improve the Human Resource capacity of those working directly with disadvantaged individuals. Clearly, this will have a direct bearing on the quality of service provision in the public sector (mainly Territorial Labour Exchanges) to the unemployed. Improved services combined with a better understanding of the needs of and issues facing key target groups in overcoming labour market obstacles will potentially have a major indirect benefit on disadvantaged individuals. Similarly, measures to overcome negative stereotypes about individuals from disadvantaged groups in the workplace (targeted at employers and employees) should also have an indirect beneficial impact on eliminating inequality.

Below we review the potential impacts of EQUAL on each of the main target groups. The impact analysis is inevitably speculative in that it is impossible to predict precisely what sorts of measures and activities will be supported through DPs – since one of the key features of EQUAL is that it empowers individual DPs to utilise their initiative to develop innovative new solutions to problems – and therefore the nature of the work programme of DPs is impossible to predict in advance.

### The Disabled

An increasing number of disabled people are registered with Territorial Labour Exchanges in Lithuania. The baseline identified a number of problems facing the disabled including low income levels (often the minimum wage), stereotypes with regard to the mentally disabled hindering access to employment as well as a lack of awareness

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and understanding amongst employers about the needs of the disabled in the workplace in terms of workplace adjustments to enable the disabled to gain access to buildings etc. The disabled will benefit directly from access to training, vocational guidance and careers counselling but should also benefit indirectly – through measures to help overcome prejudice / negative stereotypes and efforts to strengthen the organisational capacity of NGOs representing the interests of the disabled. Some member states are very advanced in terms of the way in which disabled issues in the workplace are dealt with. Transnational partnership will enable these experiences to be drawn upon and for good practices to be transferred.

## **Persons of pre-retirement age**

Employment of persons in pre-retirement age is lower than average, and employment of women in this particular target group is lower than of men. Major factors limiting working activities of persons in pre-retirement age are mismatch of competences (and unwillingness of employers to invest in people close to retirement age) with the requirements of the modern labour market and the steady negative attitudes of employers towards this group of persons. The persons in pre-retirement age will benefit directly from Theme A – facilitating access to the labour market. As a result of pilot measures persons of pre-retirement age will enjoy improved access to life-long learning. But the most important are the expected indirect effects, the most important being reduced prejudices and stereotypes among the employers with regard to people over 50 years of age in the labour market.

## **Young people**

The level of unemployment among young people is the highest among different age groups. Specific groups of young people, such as orphans, drop-outs, rural youth, juvenile parents, and young families, are especially disadvantaged compared to other groups. They are often poorly motivated by their poor social environment, often deprived of quality education or often have lower opportunities in the labour market.

Young people should benefit from EQUAL interventions under Themes A and G. Theme A should help to capacitate and motivate the disadvantaged young people so that they complete at least basic education and gain access to vocational training to acquire a profession demanded on the labour market. Theme G is expected to have a positive impact on the young parents and families in away that new opportunities, ways and methods shall be developed to reconcile family life and the need to complete secondary and post-secondary education as well as to seek a career in the labour market.

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## **Ex-prisoners**

One of graver problems in the society is the integration of ex-prisoners. Majority of persons in the confinement institutions are young men from 18 to 29 years of age. Female prisoners constitute rather insignificant share of the total number of prisoners. A large part of persons returning from the confinement institutions are likely to re-offend as they have lost their qualifications, social skills and, most importantly, their motivation to pursue a different way of life. Attitudes of employers towards ex-offenders are also negative and do not facilitate their access to the labour market.

Development partnerships under Theme A dealing with the problems of ex-prisoners should develop and pilot schemes of assistance for the ex-prisoners to change and stimulate their motivation, to improve their access to training, and to facilitate integration into the labour market. The indirect effects of the EQUAL programme shall be increased skills of people helping the prisoners and ex-prisoners to integrate into society and labour market as well as somewhat changed attitudes of employers resulting in the decreased discrimination of this group in the labour market.

## **National minorities**

National minorities in general and Roma community in particular are disadvantaged in the labour market. This relates to differences in the levels of educational attainment, and in the levels of Lithuanian language competences. Some communities of national minorities live in a compact way in the areas suffering from major economic downturns, which affect their general unemployment statistics. Additional research is needed to what extent the higher rates of unemployment among the national minority groups are the result of ground level discrimination in the labour market.

Development partnerships related to the problems of national minorities should help to analyse the reasons behind their disadvantaged situation in the labour market and to propose measures, which need to be taken in the context of the mainstream labour market policy. Particular attention should be paid to Lithuanian Roma community, helping to capacitate members of this community, to improve their motivation to seek education (at least for their children) and life-long learning as well as to facilitate access to the labour market not least by helping to overcome the prejudices of employers against gypsy workers.

## **Sexual Orientation**

Problems in respect of those with a different sexual orientation in the workplace include direct and indirect discrimination as well as harassment. Although statistics are few and far between, there is a perception that homophobia persists in many workplaces (and indeed in society more widely). Those of a different sexual orientation will benefit

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indirectly through EQUAL in a number of ways. The capacity of NGOs representing gays will be strengthened and measures aimed at overcoming negative stereotypes amongst employers and awareness raising should help gay people to feel more comfortable about being open about their sexual orientation.

## **Asylum Seekers**

The major problem identified in the baseline vis-à-vis the integration of asylum seekers into the workplace in Lithuania is that many have no professional qualifications or that their skills and qualifications are inappropriately adapted for the Lithuanian labour market – whose needs are changing rapidly. Linguistic barriers are clearly also an issue – with many asylum seekers having a poor knowledge of the Lithuanian language.

Theme I – support for asylum seekers is a mandatory theme under the EQUAL programme 2000-06. While only 3% of resources under EQUAL in Lithuania will be devoted to asylum seekers, the additional resources should nevertheless benefit asylum seekers considerably – both in terms of improving their readiness to enter the labour market and improving the skills and qualifications of those working directly at an institutional level with asylum seekers. Indirectly, asylum seekers should benefit from information campaigns to combat prejudice and negative stereotypes about asylum seekers and different cultures and religions – this is important since many asylum seekers from Russia or parts of the former Soviet Union are Muslim.

Currently, the assessment by ex-ante suggests that there are no NGOs working directly with asylum seekers. However, it is possible under EQUAL that some NGOs – particularly those representing the interests of national minorities – may wish to look at launching pilot schemes working with asylum seekers.

## **Women in the Labour Market**

Although labour participation rates for women in the Lithuanian labour market are high compared with the EU average and unemployment rates are lower amongst women than amongst men in Lithuania, many women are employed in low income employment. Additional problems identified in the baseline include the absence of childcare facilities to help women return to the labour market and the slow take-up of flexible working practices in Lithuania by employers restricting employment opportunities for many women – particularly those with children or other dependents such as those caring for elderly relatives. An additional major issue, examined separately, is the question of women victims of trafficking.

Women will clearly benefit from Theme G – reconciling family and professional life. Pilot programmes are envisaged to encourage employers to offer flexible working options to employees such as part-time working, term-time working, career intervals etc.

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Additionally, support will be available to facilitate the reintegration of women that have had a long absence from the workplace (due to raising children, amongst other factors) through retraining programmes. Support will also be available for measures to overcome negative stereotypes with regard to the role of women and men in raising children with fathers being encouraged to play a greater role as well as to take up paternity leave. The transnational dimension of EQUAL will clearly be of major benefit to improving the lot of Lithuanian women. There are examples of outstanding good practice in many countries in terms of managing gender equality in the workplace – for example in Germany, Sweden and the UK – and of specific measures being taken by employers to retain women through the embracing of flexible working and a recognition of the steps that need to be taken to ensure that employment policies, practices and procedures are gender neutral.

Women should also benefit from Theme A – facilitating access to the labour market. Many women may have had long absences from the labour market – due to having children – and will therefore benefit directly from improved access to vocational training and career counselling and related support services.

Finally, pilot measures developed under both themes should help boost the capacity of NGOs dealing with women's issues. This is likely to be particularly important in terms of potential positive impact in terms of those voluntary groups that address the issue of women victims of trafficking.

### **Victims of Trafficking**

Victims of trafficking are predominantly women and while arguably a sub-set of the target group – women in the labour market – those that were victims of trafficking have been included in the CIP as a target group in their own right with clearly differentiated needs and problems. The baseline identified a number of problems faced by victims including the need for psychological counselling, the fact that many have been absent from the labour market for a long interval – with the result that skills and qualifications acquired previously may now be outdated or have been lost. Many women victims have never been in the formal labour market – and therefore need assistance with regard to improving their confidence, skills and qualifications.

Victims of trafficking will benefit directly from Theme A – facilitating access to the labour market through access to career counselling, advice and information and access to vocational education and training. Schemes may also be tailored to women victims that include a psychological counselling dimension. The problems faced by former victims in accessing the labour market need to be identified more closely – given the large scale of the problem. Needs identification studies and further research into issues around former victims of trafficking will be supported.

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A number of municipalities have begun pilot projects to integrate former victims back into training and employment. Similar initiatives – possibly working in collaboration with women’s NGOs are likely to be supported under EQUAL and this will clearly potentially have a positive indirect impact on improving the lot of victims in respect of their position in the labour market.

## **Long-term Unemployment**

Long-term unemployment has been included as a separate target group at the request of the Commission. Clearly, all of the target groups described in section 2.3 suffer to a greater or lesser extent from long-term unemployment. This issue can therefore be seen as both a separate issue in its own right but also as a horizontal issues affecting all EQUAL target groups. In a Lithuanian context, structural unemployment was identified in the Joint Assessment of Employment Policy Priorities as being a particular problem amongst the <25s and the >50s. The problem of school drop-outs – a significant sub-set within the <25s age group is regarded as a particularly serious problem.

Clearly, Theme A will have the greatest potential impact on tackling long-term unemployment through support for activities that improve the employability of all disadvantaged social groups. The starting point for some DPs may well be the undertaking of a needs analysis to identify the particular problems faced by disadvantaged groups. This will be beneficial in helping to better understand the dynamics driving long-term unemployment specific to different social groups – who will have varying training, vocational guidance and counselling needs in order to improve their employability. For example, in the case of the young long-term unemployed, as well as a lack of qualifications, lack of work experience and access to apprenticeships is often a problem. In the case of the long-term unemployed over 50, a common problem is that skills and qualifications are outdated. It is therefore imperative that the different needs of EQUAL target groups are understood in order that improving the employability of the unemployed in Lithuania can be tackled more effectively.

The long-term unemployed should also benefit from measures to improve the skills and qualifications of those working with disadvantaged individuals as well as from pilot measures to tailor training, vocational guidance and career counselling more closely to the specific needs of target groups.

## **Drug Addicts**

Drug dependency in Lithuania is not widespread but is however a growing social problem – disproportionately effecting men who constitute over 80% of users. Evidently, those suffering from drug addiction need specialist help to re-integrate them back into society and into employment. While there a number of drug addiction clinics spread across Lithuania, there are gaps in provision in some regions. There is also a need for staff in

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existing drug rehabilitation centres to improve their skills and knowledge. Another problem is that teenagers often fail to complete rehabilitation courses.

Drug addicts as a target group should benefit from EQUAL in a number of ways. Firstly, EQUAL will have beneficial impacts in helping to boost administrative and institutional capacity amongst those dealing with drug addicts. There are a range of NGOs and organisations in the public sector dealing with the rehabilitation of addicts and working on drugs prevention campaigns/ awareness-raising exercises. Clearly, increased partnership working across Lithuania between such organisations will be beneficial in facilitating the sharing of innovative ways of tackling drugs issues and the rehabilitation of drug addicts.

The transnational dimension of EQUAL should provide an opportunity to learn from good practices adopted elsewhere vis-à-vis effective drug rehabilitation strategies – which previous experience suggests ideally involves a more holistic approach than that currently adopted in Lithuania focusing on rebuilding the confidence and motivation of drug addicts, rehabilitation in a wider sense - *physical, psychological, emotional* and *social* – and finally re-integration back into society.

Of the three themes, Theme A should be the most beneficial to drug addicts. A number of potential supported activities are identified that may be of direct or indirect benefit to drug addicts - including studies to identify the needs of and issues facing key target groups in accessing the labour market and the facilitating of access to vocational education and training, careers counselling and related services tailored to the specific needs of individual target groups. There are similarly likely to be potential benefits from measures seeking to boost the motivation and self-confidence of job seekers given that the baseline identifies confidence-building as an important step on the road to rehabilitation for addicts.

Development Partnerships that choose to focus on drug addicts as a target group are also likely to look at the development of innovative methods of undertaking drug-prevention activities as well as raising awareness about the dangers of drugs. Finally, it is difficult to predict what impact, if any, EQUAL will have in terms of reversing negative drug addiction trends – since the focus is primarily likely to be on assisting drug addicts in their rehabilitation.

### **Financial Allocation**

*ADD additional paragraph below if you believe useful – a comparison between Lithuania and the UK.*

The 3% allocated to asylum seekers under the EQUAL programme in the UK compares with the 5% allocated in the UK. However, it should be emphasised that in numerical terms, the UK has far bigger asylum issues than Lithuania.

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## 5.2 Action 1. Setting up development partnerships and transnational co-operation

The following table provides an overview of the sorts of organisations and institutions in Lithuania that might participate in Development Partnerships. The list is not intended to be exhaustive – but rather to provide an illustrative overview. The table is divided into a number of categories of organisations such as state institutions, regional and local authorities, NGOs and private business.

Types of organisations	Examples
State institutions	Council on Issues for the Disabled under the Government of Lithuania, State Council on Youth Affairs
Regional and local authorities	County governors' administrations and municipal administrations
Agencies, institutions and enterprises owned by state institutions, regional and local authorities	Lithuanian Labour Market Training Authority and its 6 regional labour market training and consulting services, Lithuanian Labour Exchange, including its 44 territorial labour exchanges, social, health care and rehabilitation institutions, VET, labour market training and counselling institutions, colleges, universities, and research institutions, other institutions providing public services to the groups, disadvantaged in the labour market
NGOs	Various NGOs, associations and societies, representing the interests the groups disadvantaged in the labour market, community centres
Private business enterprises and non-profit institutions	Private business enterprises providing occupation, employment or services to the groups disadvantaged in the labour market, private consultancy institutions specialising in the areas related to the integration of the disadvantaged groups into the labour market

## 5.4 Mainstreaming and Dissemination of Good Practices, Mainstreaming into National Policies, Thematic Networking, Gender Mainstreaming

### 5.4.1 Mainstreaming and Dissemination of Good Practices, Mainstreaming into National Policies

One of the important purposes of the Community Initiatives including EQUAL is to act as a testing ground for developing and piloting innovative new policy approaches. Where successful, it is envisaged that these new policy approaches and good practices should then be mainstreamed.

One of the objectives of the Community Initiatives in general and EQUAL in particular is the concept of mainstreaming. It is important to differentiate between the mainstreaming of *good practices* through Development Partnerships and Transnational Co-Operation and the mainstreaming of *innovative new methodological / policy approaches* developed /

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piloted through the EQUAL programme into *national social and employment policies*. At a horizontal level, the principle of gender mainstreaming also plays an important role in all Community policies and programmes including EQUAL.

The Commission also makes a distinction between *horizontal* and *vertical* mainstreaming. Horizontal mainstreaming seeks to ensure that lessons learned are applied across the national social and employment policy spectrum and that themes such as gender are incorporated / mainstreamed into policies and practices. Vertical mainstreaming describes the way in which the mainstreaming principle is applied through EQUAL i.e. from a policy level through to individual DPs and pilot measures and activities supported through DPs.

In terms of how mainstreaming will be managed in Lithuania, as stipulated in the revised EQUAL guidelines, the Managing Authority (i.e. MoSSL) will be responsible for thematic networking, the dissemination and information functions and mainstreaming. The MA will involve social partners in each of these activities. The EQUAL Monitoring Committee will have responsibility for determining and approving the mainstreaming strategy both at a horizontal level (i.e. amongst organisations operating in similar thematic fields) and vertically (at national, regional and local policy level). The mainstreaming strategy will build on the experiences of and results achieved by Development Partnerships in Lithuania and will seek to:

- identify the factors leading to inequality and discrimination in the workplace and in accessing labour market opportunities
- monitor and analyse the impact or potential impact of the Development Partnerships on the policy priorities set out in the NAP and on the different groups subject to discrimination and inequality in connection with the labour market
- identify and assess the factors leading to good practice and benchmarking their performance; and
- disseminate good practices (both horizontally and vertically)

The Commission has provided guidance on how the concept of mainstreaming should be integrated into the EQUAL programme – the text having recently been updated in the Draft Commission Communication on the 2<sup>nd</sup> Call for Proposals under EQUAL, scheduled to take place in mid-2004. The Communication describes mainstreaming as “the integration and incorporation of new ideas and approaches into policy”. The guidelines state that while EQUAL provides the structures and tools to facilitate mainstreaming, it is the responsibility of each Development Partnership (operating either at a territorial or sectoral level), Member State (national level) and the Commission (European level) to mainstream new approaches piloted and developed through EQUAL.

Clearly, the transnational dimension of EQUAL should also provide scope for mainstreaming new policy approaches / good practices. It is likely that in many instances, good practices from other countries will be transferable in a Lithuanian context although

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evidently these will need to be tailored and adapted to national, regional and local circumstances and needs.

## 5.4.2 Thematic Networking

One of the lessons learned from the ADAPT and EMPLOYMENT programmes was that for new policy approaches and methodologies to be successfully mainstreamed into national social and employment policies, thematic networking was critical – both during the planning and development and the implementation phase of projects. Consequently, the Commission guidelines on EQUAL for the 2000-06 period require member states to set up thematic networking groups at national level and to participate in European – level thematic networking groups in keeping with the importance EQUAL places on the transnational dimension.

In line with Commission requirements, mainstreaming in Lithuania, as in other member states, will therefore be facilitated through the setting up of *thematic* and *horizontal* working groups. The thematic/ horizontal groups (which are mandatory) are set out in the table below:

European Thematic Groups	Horizontal groups
1. Employability	1. Mainstreaming
2. Entrepreneurship	2. Partnership
3. Adaptability	3. Transnationality
4. Equal Opportunities	4. Gender mainstreaming
5. Asylum seekers	

*Source: Draft Commission guidelines for the second round of the Community Initiative EQUAL concerning transnational co-operation to promote new means of combating all forms of discrimination and inequalities in connection with the labour market*

The five *thematic* groups at a European level are based around the four pillars of the European Employment Strategy (EES). An additional thematic working group on asylum seekers (a major EU policy priority), is also included as a mandatory theme. The objective of the thematic groups is to ensure that innovative approaches resulting from EQUAL are mainstreamed into national social employment policies and National Action Plans in the field of employment.

Turning to the horizontal working groups, these will be set up at national level in Lithuania and will involve the active participation of key stakeholders from the public, private and voluntary sectors participating in DPs. One working group will seek to apply the mainstreaming principle into national social and employment policies, a second will focus on lessons learned through partnership working in terms of critical success factors. A third working group will look at good practices learned through the transnational dimension of EQUAL while a fourth will concentrate on gender mainstreaming – an important EU policy priority that will be applied both horizontally and vertically in Lithuania. EQUAL is seen as potentially playing an important role in helping to pilot new

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approaches to gender mainstreaming that can then be systematically incorporated across all policies at national level.

The Ministry of Social Security and Labour will actively promote and encourage participation in both the thematic and horizontal working groups in order to ensure that maximum value is derived from Lithuania's participation in EQUAL. Thematic groups at national level in Lithuania will be linked in to European Thematic Groups. This will enable experiences to be shared at a European level – and should help reinforce the mainstreaming of good practices into national policies.

While the thematic and horizontal working groups as well as the responsible Ministry, the MoSSL will have an important role in mainstreaming good practices, it should be emphasised that Development Partnerships themselves will play a critical role in terms of thematic networking, the dissemination of good practices and the mainstreaming of innovative new approaches into national employment and social inclusion policies and strategies in Lithuania.

## **Complementarity and Compatibility with Community Policies**

### *6.7.1 Complementarity*

The Ministry of Social Security and Labour (as the Managing Authority) and the Human Resource Development Programme Support Foundation (as the responsible implementing agency) will work actively to promote complementarity between the EQUAL programme and mainstream ESF under the main Objective 1 programme (2004-06). The two respective institutions will strive to ensure that there is no double funding of projects and that activities within EQUAL add value to those that will be supported through Objective 1 ESF.

In section 4.2, we look at the complementarity between the HRD measures under Objective 1 and EQUAL. In a number of instances, target groups are similar and although the approach to activities piloted through DPs will often be different from measures supported under mainstream ES, there is nevertheless a need to take steps to ensure that where the range of supported activities is similar (albeit EQUAL will be far more targeted at specific social groups), mechanisms are in place to ensure complementarity and avoid duplication.

Complementarity will be achieved through:

- The inclusion in guidelines to applicants of a statement confirming that projects funded under EQUAL cannot also be supported under ESF and vice versa and that double funding is prohibited
- Consultation at the selection stage to avoid the double-financing of projects.

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- Cross-representation on programme and evaluation committees to ensure that complementarity is assured
- Ensuring regular liaison between the team within the ESF unit at the MoSSL responsible for mainstream ESF and the team responsible for EQUAL. Regular liaison between those at the HRDPSF responsible for ESF and those responsible for EQUAL will also take place, as will liaison between the MoSSL and the HRDPSF
- The sharing of information on a quarterly / six monthly basis (frequency to be determined) of projects approved (basic summary description) to ensure that potential duplication is avoided

There will be a strong focus on co-ordination between the team responsible for ESF at the MoSSL and the team responsible for EQUAL to ensure that EQUAL adds value and that there is no duplication.

### 6.7.2 *Compatibility with EU policies*

The EQUAL programme in Lithuania will comply with all appropriate EU procurement legislation and the state aid rules.

According to Article 12 of the Council Regulation 1260/1999, measures financed by the Structural Funds or the FIFG must be in keeping with the provisions of the Treaties, Community legislation based on the treaties, and Community policies. This compatibility is checked when funding applications are examined and while the measures are being carried out. In this regard, the following principles will be observed:

Co-financing by the Community systems of State aid for undertakings is subject to the aid being approved by the Commission, in accordance with Articles 87 and 88 of the Treaty. Under Article 88 (3) of the Treaty, the Member States must inform the Commission of any plans to grant, extend or alter State aid to undertakings. However, State aid meeting the “*de minimis*” conditions laid down by the Commission at Community level for State aid to SMEs does not need to be notified and therefore requires no prior approval. The aid is covered by the implementing provisions set out in the Commission’s notice on the *de minimis* rule for State aid.

With regard to new aid schemes and new notifiable ad hoc grants not foreseen in the initial decision approving the EQUAL Community Initiative Programme, the following provisions will apply:

*Lithuania will notify to the Commission (DG Competition) for approval any new aid schemes and ad hoc grants;*

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- Once the new aid schemes or ad hoc grants have been approved, and following the approval by the Programme Monitoring Committee of the insertion of these additional aid schemes and ad hoc grants in the Community Initiative Programme, Lithuania will submit a revised list of state aid schemes and ad hoc grants to the Commission (DG EMPSON);
- In accordance with Article 30 of the General Regulation, the starting date for eligibility of expenditure will be the date on which Lithuania submits the request to the Commission to modify the assistance by a formal Commission decision.

The programme will also comply with new anti-discrimination legislation – stemming from Article 13 of the EC Treaty and the two associated Council Directives (2000/43/EC and 2000/78/EC which is in the process of being transposed into Lithuanian law.

## 9.1 Ex-ante Evaluation

Under article 40 of EC Regulation 1260/99, there is an obligation to carry out an ex-ante evaluation of all Structural Fund programmes including the Community Initiatives.

The ex-ante evaluation of the Lithuanian EQUAL Community Initiative 2004-06 was carried out by an independent team of evaluators from the Centre for Strategy and Evaluation Services (CSES) between October and December 2003 – with support from a local consultant<sup>4</sup>. The work was carried out on behalf of the Lithuanian Ministry of Social Security and Labour (MoSSL) – which had responsibility for over-seeing and co-ordinating the evaluation process.

The role of ex-ante was to assess the CIP and Programme Complement, to examine the ‘internal’ and ‘external’ coherence of programme documentation, to assess the extent to which the baseline assessment reflected the current situation vis-à-vis the analysis of key EQUAL target groups and their position in the labour market. Additional objectives were to review the choice of themes that emerged from the consultation process organised by the MoSSL (with support from the Swedish twinning programme) and to look at lessons from previous experience under the PHARE programme and other pre-accession instruments such as the ACCESS programme (NGO capacity building) to examine the extent to which previous examples of social partnership mechanisms in Lithuania might serve as a building block for the implementation of EQUAL and the setting up of Development Partnerships.

Having reviewed the September 2003 version of the CIP, CSES made a number of suggestions and recommendations as to how the baseline might be improved and highlighted areas in respect of implementation arrangements that needed clarification.

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<sup>4</sup> Rimantas Dumcius

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Following a meeting between MoSSL and the Commission in Brussels, CSES' focus switched from commenting on programme documentation towards making direct inputs to help improve the formal submission of the draft CIP.

As recommended in Commission guidance on ex-ante evaluation, the process has been interactive wherever possible – CSES has undertaken interviews with a number of key institutional actors and other stakeholders such as the Lithuanian Labour Exchange, the Department for National Minorities, the prison authorities etc. Additionally, a member of the evaluation team attended a seminar for NGOs about the EQUAL programme to discuss key issues in relation to the various target groups. The ex-ante team has also discussed a number of EQUAL related issues with the Swedish twinning programme.

The ex-ante evaluation process will come to an end in December 2003.