



INTERNATIONAL ORGANIZATION FOR MIGRATION

EUROPEAN MIGRATION NETWORK

Admitting third-country nationals for business purposes

EMN FOCUSED STUDY 2014



IOM • OIM

Co-funded by
the European Union



European Migration Network

Admitting third-country nationals

for business purposes

1 DEFINITIONS

'Immigrant investor'

Third-country national meeting the criteria set by a Member State and admitted on a long-stay visa to a Member State for the purpose of making a (substantial) financial investment either in financial products or in a business but without involving in the day to day operations or in the management of business.

'Immigrant business owner'

Third-country national meeting the criteria set by a Member State and admitted on a long-stay visa to the Member State to i) set up a business and be involved in its management; ii) take over the running of a business or businesses and be involved in its management; iii) or for self-employment.

'Intra-corporate transfer'¹

Temporary secondment for occupational or training purposes of a third-country national who, at the time of application for an intra-corporate transferee permit, resides outside the territory of the Member States, from an undertaking established outside the territory of a Member State, and to which the third-country national is bound by a work contract prior to and during the transfer, to an entity belonging to the undertaking or to the same group of undertakings which is established in that Member State, and, where applicable, the mobility between host entities established in one or several second Member States;

'Intra-corporate transferee'²

Any third-country national who resides outside the territory of the Member States at the time of application for an intra-corporate transferee permit and who is subject to an intra-corporate transfer;

'Long-stay' visa (or National D-Type visa)

'Long-stay visa' means the authorisation or decision of a Member State required for entry for an intended stay in that Member State of more than three months (Source: EMN Glossary V 2.0).

'Other business persons'

All categories included in (but not limited to) the "Temporary Movement of Natural Persons (or "Mode 4" categories) admitted to a Member State on a short-stay visa or a long-stay visa for the purpose of doing business which are nor immigrant investors nor immigrant business owners.

'Residence permit'

Any authorisation issued by the authorities of a Member State allowing a third-country national to stay legally in its territory, in accordance with the provisions of Article 1(2)(a) of Council Regulation (EC) No 1030/2002 of 13 June 2002 laying down a uniform format for residence permits for third-country nationals (Source: EMN Glossary V 2.0).

'Short-stay' visa (or Schengen C-Type visa)

¹http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/jha/142571.pdf Article 3 b) of the Directive 2014/66/EU

²Article 3 c) of the Directive 2014/66/EU

The authorisation or decision of a Member State required for entry for an intended stay in that State or in several Member States for a period whose total duration does not exceed 90 days in any 180-day period (Source: Visa Code as amended by Regulation (EU) No 610/2013).

'Temporary movement of natural persons' (or 'Mode 4' Categories)³

'Mode 4' is one of the four ways through which services can be supplied internationally under the General Agreement on Trade in Services (GATS). It covers the supply of a service by a service supplier of one Member of the Agreement, through the presence of natural persons of a Member in the territory of another Member, and covers the temporary movement of natural persons for the purpose of supplying a service.

EMN FOCUSED STUDY 2014

Admitting third-country nationals for business purposes

Executive Summary (Synthesis Report)

Synthesis Report (up to three pages)

Executive Summary of Synthesis Report: this will form the basis of an EMN Inform, which will have EU and National policymakers as its main target audience.

Top-line "Factsheet" (National Contribution)

National contribution (one page only)

Overview of the National Contribution – introducing the study and drawing out key facts and figures from across all sections of the Focussed Study, with a particular emphasis on elements that will be of relevance to (national) policymakers.

Context: In Lithuania, the number of foreigners⁴ entering on the ground of lawful activity is steadily increasing. The absolute majority of foreigners entering on this ground are owners and/or heads of enterprises established in Lithuania. Since 2010, the number of temporary residence permits issued on the ground of lawful activity has increased almost fourfold: in 2010, 1 346 permits were issued or replaced on this ground, while in the first eleven months of 2014 this number reached 6 000 permits. The majority of immigrants entering on the ground of lawful activities are citizens of Russia (43 per cent), Ukraine (15 per cent), Belarus (17 per cent), the Caucasus countries (7 per cent), Asian countries (6 per cent) and Arab countries (5 per cent). As many as 2 per cent of foreigners were admitted from economically strong countries (USA, Canada, Japan). Such a large number of issued permits should be explained by the fact that until 1 November 2014, it was relatively easy to enter Lithuania on the ground of lawful activity, and a

³The complete list of categories, criteria for admission and length of stay of the pre-defined six "Mode 4" categories is provided in Annex 2

⁴ In this study the terms foreigner, immigrant, alien are used interchangeably and refer to a third country national.

large proportion of foreigners used this channel and entered not for the purpose of doing business, but obtaining a temporary residence permit. It should be noted that in practice, foreigners wishing to establish or purchase an enterprise are often assisted by Lithuanian residents or enterprises under their control. Such enterprises present Lithuania as a country in which it is easy to obtain a temporary residence permit and help to process all the documents of an enterprise to be established or repurchased as well as to submit documents for the issuance of a temporary residence permit.

Definitions: This study examines the admission of immigrant business owners, investors and other business persons to Lithuania. In this study, a business owner means a foreigner who establishes an enterprise and enters to participate in the activities of the established enterprise. An immigrant investor means a foreigner who invests a (large) amount, but is not involved in the management of an enterprise. Lithuania has no entry scheme for immigrant investors who conform to the latter definition. Other business persons mean foreigners who are admitted for the purpose of doing business, but are neither immigrant investors, nor immigrant business owners.

Attraction policy. Lithuania does not have a special programme designed to attract immigrant business owners. The Lithuanian Migration Policy Guidelines identify priority groups of foreigners, and one of such groups includes foreigners who are engaged in lawful activities, create new workplaces, invest in Lithuania, and thus contribute to the economic and social development of the country. However, in practice business immigration is not viewed as a tool that can promote economic development.

Abuse. In submitting proposals for the tightening of admission procedures for business owners, the Ministry of the Interior observed the growing number of foreigners who declared their intention to engage in lawful activities (business), but sought to obtain a temporary residence permit and take advantage of it with a view to gaining entry into other Schengen countries, rather than actually pursue activities. It was observed that a considerable proportion of foreigners lacked proper professional training and/or professional experience in the business field in the country of origin, often did not speak the languages in which it would be possible to communicate in Lithuania, used to declare their place of residence in the premises not fit for this purpose or in dozens in a single room, and often failed to carry out the economic activity provided for in the articles of association or carried out only minimum activities and did not subsist on an enterprise's income. Problems used to arise both at the arrival stage and during the stay. When applying for a first-time temporary residence permit, foreigners used to lodge applications with Lithuania's missions abroad, and decision-making officers had no possibilities of checking and assessing a foreigner's enterprise, because the foreigner had not yet established any enterprise or even entered Lithuania. A foreigner's experience, business plan and contribution to the economy were not assessed, and the assessment was limited to the formal verification of documents. The only real barrier was an interview with a visa officer. During the period of extension of the validity of a temporary residence permit, there existed no objective criteria to access if an enterprise was a bogus business and respectively no legal ground for withdrawing temporary residence permits issued to owners of bogus businesses.

Entry scheme: Until 1 November 2014, foreigners lodged applications and the documents necessary for the issuance of a residence permit on the ground of lawful activity with Lithuanian diplomatic missions or consular posts abroad or, if a foreigner was lawfully present in the country, with a migration service. A decision on a first-time temporary residence permit used to be made by the Migration Department upon considering all the documents. In the event of receiving a positive decision, the foreigner used to refer to a diplomatic mission or a consular post for the issuance of a single entry national visa. Under this visa, (s)he used to enter Lithuania and collect here a temporary residence permit. The amendments to the Law in force as of 1 November 2014 provide that a temporary residence permit may be issued to a foreigner who, not less than for the past 6 months before applying for the issuance of the temporary residence permit, pursued the activities indicated in the founding documents. According to the

new procedure, foreigners will initially be admitted under a visa, rather than a temporary residence permit and issued a temporary residence permit only after 6 months. At the moment, the entry scheme is still being revised.

Requirements for business owners: According the new requirements in force as of 1 November 2014, a foreigner must be a participant of an enterprise established in Lithuania, (s)he must carry out activities for not less than 6 months before applying for a temporary residence permit, must create not less than 3 new workplaces and invest in the enterprise not less than LTL 50 000 (EUR 15 000). The amendments have also introduced a new category of foreigners, namely, the foreigners who invest in Lithuania not less than LTL 900 000 (EUR 260 000) and create not less than 5 workplaces. These persons are subject to an accelerated procedure for the issuance of a temporary residence permit, and a temporary residence permit is issued and replaced for a period of three years. In addition, they may immediately bring their family members when entering the country.

New grounds for refusal of the issuance of a temporary residence permit: The amendments to the Law in force as of 1 November 2014 have stipulated new grounds for refusal to issue or replace a temporary residence permit: when it is established that the foreigner's enterprise is a bogus one, if the foreigner does not have suitable residential premises, has arrears to the state budget, or there are serious grounds to believe that there may arise the risk of the foreigner's irregular migration. These amendments will allow officers making decisions on the issuance or replacement of a temporary residence permit to refuse the issuance or replacement of the temporary residence permit to foreigners who are owners of bogus businesses.

Opinions: The new amendments to the Law aim at reducing the number of bogus enterprises being established, when a foreigner pursues the aim of obtaining a temporary residence permit on the ground of lawful activity rather than doing business. It is expected that the amendments to the Law will contribute to ensuring that foreigners' activities provide economic benefit to the state. On the other hand, there are concerns about adopted amendments to the Law, namely, what impact they will have on small case enterprises owned by foreign nationals.

[Section 1: National frameworks for admitting third-country nationals for business purposes](#)

For the national policies, the questionnaire asks first for information about the national policies in relation to **immigrant investors** (Sections 1.1 – 1.2), then for **immigrantbusiness owners** (1.3 - 1.4) and finally for **other business persons** (Sections 1.5 – 1.6)

[Section 1.1: Immigrant investors:overview of national policies \(Maximum 1 page\)](#)

*This section asks for information on the national institutional framework and the main policy objectives in relation to **immigrant investors** from third-countries. It will provide a mapping of the national stakeholders involved in the design and implementation of the policies to attract such investors, and the incentives that apply.*

EMN NCPs are asked to answer the following questions, at times guided by a non-exhaustive list of prompts.

Q1. How does the national legislation of your Member State define immigrant investors?

Lithuania has no special entry schemes for immigrant investors as they are defined in this study. The Lithuanian Migration Policy Guidelines approved by Government of the Republic of Lithuania Resolution No 29 of 22 January 2014 (the 'Guidelines') refer to the foreigners who are engaged in lawful activities, establish new workplaces, invest in Lithuania and thus contribute to the country's economic and social development as one of the priority groups. However, the Law of the Republic of Lithuania on the Legal Status of Aliens (the 'Law'), which regulates the entry and exit, stay and residence of foreigners and other

issues of the legal status of foreigners in the Republic of Lithuania, does not stipulate grounds for the entry of (issuance of temporary residence permits to) immigrant investors.

The new version of the Law in force as of 1 November 2014 stipulates the requirement for an alien to be a participant in an enterprise as "the head of this enterprise or a member of its collegial management or supervisory body or a participant who is entitled to enter into transactions on behalf of the enterprise, or a shareholder of a public limited liability company or a private limited liability company who holds by the right of ownership the company's shares at a nominal value of not less than 1/3 of the company's authorised capital" (Article 45(1)(1)). According to the definition provided by the EMN study, an immigrant investor is a third-country national seeking to invest a certain (large) amount, but not involved in the daily activities of the enterprise or in the management of the enterprise. As an alien who has been issued a temporary residence permit on the ground of lawful activity must be an active participant of an enterprise, he does not fall under the category of immigrant investors.

Q2a. Does your Member State have a specific policy, programme or scheme for immigrant investors?

No

Q2b. If yes, please provide more information about the specific policy, programme or scheme, including a) the name of the policy / programme / scheme: b) its main policy objectives (Neutral, pro-active); whether it targets c) specific investment types e.g. real estate, transfer of capital, national funds / bonds, business investments, endowment to public projects, mixed investments, joint ventures, etc. or d) economic sectors / geographical areas / strategic partners; and whether e) a quota / limitation system is in place to govern the number of entries or permits that can be issued to migrant investors?

a) Name of policy / programme and legal basis

b) Main policy objectives

c) Type of investment (e.g. real estate, transfer of capital, national funds / bonds, business investments, endowment to public projects, mixed investments, joint ventures, etc.)

d) Priority national economic sectors / priority national geographical areas / countries of origin targeted / strategic partners required.

e) Quotas in place

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Q3a. What is/are the main actor(s) and institution(s) involved in the development of policies to attract immigrant investors? If multiple authorities are involved, how are they coordinated? Is there an official mandate – e.g. an Action Plan – governing the involvement of these authorities?

Not applicable

Q3b. Which actor / institution is responsible for the promotion of the policy with the target group?

Not applicable

Q4a. Does your Member State have specific measures in place to attract immigrant investors?

No

Q4b. If yes, Please complete the table below with regard to the (applicable) policy measures in place to attract immigrant investors in your Member State.

Measures	Brief description of the measure in the Member State
What do these specific measures entail? (active promotion / information dissemination / campaigns / events including in third countries, etc.)	
Does a list of specific procedural facilitations for admission exist? If yes, please explain what they entail (reduced costs, shortened processing time, reduced documentary requirements, minimum residence period required (per year), possibility of renewal, etc.)	
Are there specific tax incentives? (benefits, exemptions, etc.)	
Does the possibility exist for immigrant investors to be accompanied by family members? Are family members allowed to access the labour market?	
Are immigrant investors granted access to social benefits?	
Are immigrant investors granted access to citizenship?	
Other (please state)	

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Q5a Does your Member State have any bilateral or other agreements in place with Third Countries to attract immigrant investors?

Not applicable

Q5b. Does your Member State share information with other Member States? Does your Member State consult other Member States on the issuing of the documents listed in Q4.b to immigrant investors?

Not applicable

Section 1.2: Immigrant investors national policies: pre-arrival stage (admission criteria) and stay (renewal) (Maximum 3 pages)

Section 1.2 aims at providing an overview of the admission criteria applied by Member States in order admit immigrant investors from third-countries to the national territory. The section also examines whether Member States require investors to submit an investment plan and the specific procedures in place with regard to this. Finally, this section touches upon also criteria linked to the renewal / withdrawal of their residence permit / long-stay visa.

EMN NCPs are asked to provide their answers to the questions below.

Not applicable

Q6a. Please indicate which of the list act as criteria to admit immigrant investors in your Member State in the table below. All listed requirements imply a Yes/No answer: in affirmative cases, EMN NCPs are asked to describe the criteria. If possible, EMN NCPs should also explain whether the same criteria apply to third-country nationals admitted to the national territory under a different immigration channel (family reunification, study, etc.) but willing to change their status into immigrant investors.

Admission criteria	Explanation	Do the same criteria apply to third-country nationals present in your Member State who have another status and are willing to change it into investor?
Minimum financial amount to invest (please indicate the financial amounts applied to each of the investment types identified above in Question 2b point c)		
Investment plan If Yes, please complete the table in Q6b		
Expected Impact of proposed investment in the Member State (economy, public life etc.)		
Minimum Education /		

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Professional skills		
Language knowledge (certification, pre-entry tests, mandatory courses, etc.)		
Age requirement for applicants (minimum / maximum)		
Security / health / background checks in place (origin of investment, fraud checks, previous bogus activities, etc.)		
Other (please state)		

Q6b. In case an investment plan is required, EMN NCPs are asked to complete the table below. All listed requirements imply a Yes/No answer: in affirmative cases, EMN NCPs are asked to describe the requirements with additional information.

Investment plan requirements	Explanation
Information required on legal aspects of the investment.	
Information required on the commercial and financial aspects (nature of the investment, origin of the capital to invest, target groups, preliminary contracts, performance indicators, etc.)	
National institution responsible for the assessment/ approval	
Duration of examination / due diligence phase	
Documentation required (If a list exists, please report it here)	
Review period	
Other	

Q7. If the criteria for admission are satisfied what initial document is issued? Please provide any detail on:

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- type of document issued (e.g. short-stay visa, authorisation to stay, long-stay visa, residence permit, etc.)
- its duration
- whether it is longer than the usual duration which applies to other categories of third-country nationals
- whether its validity differs (and how) from its renewal.

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Q8. Where and by which institution / organisation (internal or abroad) are the documents issued? (e.g. diplomatic mission in the third country; other responsible representative; intermediary agency, etc.)

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Q9. EMN NCPs are asked to provide information on the criteria to be met in case of extension of the document issued for the stay of immigrant investors. Please provide details of the type of document issued and its duration.

Renewal criteria	Explanation
<p>What are the requirements related to the purpose of stay (investment) that need to be met in order to prolong/extend the initial authorisation of stay/ long-stay visa/residence permit?</p>	

[Section 1.3: Immigrant business owners: overview of national policies \(Maximum 1 page\)](#)

This section asks for information on the national institutional framework and the main policy objectives in relation to **immigrant business owners** from third-countries. It will provide a mapping of the national stakeholders involved in the design and implementation of the policies to attract business owners, and the incentives that apply.

EMN NCPs are asked to answer the following questions, at times guided by a non-exhaustive list of prompts.

Q9. How does the national legislation of your Member State define immigrant business owners?

<p>On 26 June 2014, the Seimas passed amendments to the provisions governing the entry of immigrant business owners to Lithuania and their residence in the country. The amendments to the Law entered into force on 1 November 2014, hence this Section and other sections will first provide information on the provisions in force until 1 November 2014 and then on the provisions of the Law which entered into force on 1 November 2014.</p> <p>The Law (until 01-11-2014) provided two grounds on which immigrant business owners could enter Lithuania:</p> <ul style="list-style-type: none"> ➤ If an alien registers an enterprise in Lithuania as the owner or co-owner, the nominal value of his proportion of the authorised capital held in the enterprise comprises not less than LTL 50 000 and his stay in Lithuania is necessary seeking to achieve the enterprise's objectives and carrying out its activities (Article 45(1)(1) of the Law); ➤ If an alien is the head or an authorised representative of an enterprise registered in Lithuania, and the principal goal of his entry is work at the enterprise (Article 45(1)(2)). <p>In practice, most foreigners used to apply for the issuance of a temporary residence permit as heads of</p>

enterprises (Article 45(1)(2) of the Law). They usually acquired an enterprise registered in Lithuania from intermediaries in Lithuania (in less frequent cases, they established an enterprise themselves) and appointed themselves as heads of the enterprise, i.e., they used to enter as heads of an enterprise registered in Lithuania. If entering on this ground, the enterprise's authorised capital was subject to general requirements for the establishment of enterprises (the minimum amount of the authorised capital being LTL 10 000, see Q17), thus avoiding the stricter requirement as specified for immigrant business owners to invest in an enterprise's capital LTL 50 000 (as stipulated when issuing a temporary residence permit on the ground of Article 45(1)(1)). A foreigner's stay used to be proved by presenting a contract of employment, i.e., the foreigner used to be employed with an enterprise as the head of the enterprise. The absolute majority of immigrant business owners used to enter the country via this channel.

The amendments to the Law in force as of 1 November 2014 provide that an alien may obtain a temporary residence permit in Lithuania provided that (s)he pursues and intends to continue pursuing lawful activities in Lithuania and meets at least one of the following conditions:

- is a participant of an enterprise which pursues activities not less than for the last 6 months prior to the alien's application for the issuance of a temporary residence permit, which has established not less than 3 workplaces (providing full-time employment to citizens of the Republic of Lithuania or aliens permanently residing in the Republic of Lithuania), and whose equity capital value comprises not less than LTL 100 000 (from 01-01-2015 – EUR 28 000), of which not less than LTL 50 000 (from 01-01-2015 – EUR 14 000) are the funds invested by the alien or other assets, and he is the head of this enterprise or a member of its collegial management or supervisory body or a participant who is entitled to enter into transactions on behalf of the enterprise, or a shareholder of a public limited liability company or a private limited liability company who holds by the right of ownership the company's shares at a nominal value of not less than 1/3 of the company's authorised capital (Article 45(1)(1) of the Law);
- is the head of an enterprise meeting all the conditions listed above, and the goal of his entry is work at that enterprise (Article 45(1)(2) of the Law);
- meets the abovementioned conditions and has invested in the enterprise's equity capital not less than LTL 900 000 (from 01-01-2015 – EUR 260 000) and has created in the enterprise not less than 5 workplaces (providing full-time employment to citizens of the Republic of Lithuania or aliens permanently residing in the Republic of Lithuania) (Article 45(1)(3) of the Law).

The necessary conditions for obtaining of a temporary residence permit as listed by the Law (the amount of an enterprise's equity capital must be not less than LTL 100 000 (from 01-01-2015 – EUR 28 000), an alien must invest in the enterprise LTL 50 000 (from 01-01-2015 – EUR 14 000), the enterprise must create not less than 3 workplaces, the alien must be the head of the enterprise or a member of its collegial or supervisory body) suggest that the alien must be an active participants in the enterprise.

These amendments aim at reducing the number of bogus enterprises being established, when the sole goal of a foreigner is obtaining of a temporary residence permit on the ground of lawful activity, rather than developing business. The amendments to the Law are also expected to contribute to ensuring that foreigners' activities provide economic benefit to the state. It is still difficult to estimate how these changes will affect the entry of foreigners on the ground of lawful activity and business establishment. However, concerns have already been voiced that the requirement to create 3 workplaces may adversely affect the possibilities of small-sized immigrant business owners to develop business in Lithuania.

The Law also differentiates between foreigners and stipulates more favourable conditions for the foreigners who have invested in an enterprise's equity capital not less than LTL 900 000 (from 01-01-2015 – EUR 260 000). Such foreigners are subject to facilitated conditions for family reunification (family members may accompany a foreigner) and extended term of validity of a temporary residence permit (up to 3 years).

Q10a. Does your Member State have a specific policy, programme or scheme for immigrant business owners?

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Lithuania does not have any specific programme designed to attract immigrant business owners. The entry of immigrant business owners is regulated by the Law. The Lithuanian Migration Policy Guidelines indicate that it is appropriate to determine categories of foreigners whose entry is of interest to Lithuania or who enjoy a more favourable approach. One of the categories of such foreigners includes those who are engaged in lawful activities, create new workplaces, invest in Lithuania and thus contribute to the country's economic and social development.

Q10b. If yes, please provide more information about the specific policy, programme or scheme, including a) the name of the policy / programme / scheme; b) its main policy objectives (Neutral, pro-active); whether it targets c) specific type of businesses and / or d) economic sectors / geographical areas / strategic partners; and whether d) a quota / limitation system is in place to govern the number of entries or permits that can be issued to immigrant business owners?

a) Name of policy / programme

Lithuania does not have any specific programme designed to attract immigrant business owners. The entry of immigrant business owners is regulated by the Law.

b) Main policy objectives

Lithuania does not have any specific programme designed to attract immigrant business owners. However, the amendments to the Law in force as of 01-11-2014 pursue the aim of differentiating the conditions of issuance of temporary residence permits to specific categories of foreigners. For example, the foreigners who invest in an enterprise LTL 900 000 (from 01-01-2015 – EUR 260 000) and create 5 workplaces will be allowed to bring along their family when entering the country, and a temporary residence permit will be issued and renewed for a period of 3 years. The amendments, inter alia, aim at ensuring that only the foreigners seriously planning to develop business enter Lithuania and prohibiting entry for the foreigners who want to take advantage of Lithuania only as a transit country.

c) Type of business (e.g. any specific sector, knowledge-based sector, start-up / spin-off, etc.)

Not specified

d) Priority national economic sectors / priority national geographical areas / countries of origin targeted / strategic partners required.

Not specified

e) Quotas in place

None

Q11a. What is/are the main actor(s) and institution(s) involved in the development of policies to attract immigrant business owners? If multiple authorities are involved, how are they coordinated? Is there an official mandate – e.g. an Action Plan – governing the involvement of these authorities?

The process of the development and implementation of Lithuania's migration policy involves the Ministry of the Interior, the Ministry of Social Security and Labour, the Ministry of Education, the Ministry of Foreign Affairs and the Ministry of Economy, whose activities are coordinated by the Government of the Republic of Lithuania. The Government of the Republic of Lithuania approved the Lithuanian Migration Policy Guidelines by Resolution No 29 of 22 January 2014. However, the conditions of entry of foreigners, including those entering for business purposes, are laid down by the Law.

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The following ministries and state institutions are involved in the implementation of the provisions of the Law regarding entry of immigrant business owners:

1. The Ministry of the Interior is responsible for the issues of the development of migration policy (with the exception of economic policy) which fall within the scope of public security policy.
2. The Ministry of Foreign Affairs participates in the development and implementation of visa policy, while diplomatic missions and consular posts of Lithuania issue visas, accept documents for the issuance of residence permits, etc.
3. The Ministry of Social Security and Labour is responsible for labour policy and develops and, through the Lithuanian Labour Exchange, implements state policy in the field of economic migration and issue work permits.
4. The Ministry of Economy is responsible for the development of economic policy, analysis of the demand and supply of human resources in the labour market, attraction of investments, etc.
5. The Migration Department ensures, within its remit, the issuance of visas and residence permits in the Republic of Lithuania and other documents.
6. Migration services are the main territorial agencies which issue (process) residence permits to foreigners and exercise control of the lawfulness of their stay in Lithuania. The activities of the migration services are coordinated by the Police Department.

11b. Which actor / institution is responsible for the promotion of the policy with the target group?

Not specified

Q12a. Does your Member State have specific measures to attract immigrant business owners?

Lithuania does not have specific direct measures intended to attract immigrant business owners, though the Law provides for certain facilitations to immigrants who have invested considerable funds (EUR 260 000) in an enterprise and who have created 5 or more workplaces. Applications lodged by such immigrants for the issuance of a temporary residence permit are examined within a shorter period of time (up to 2 months), a temporary residence permit is issued and replaced for a period of three years. These immigrants are not subject to general conditions for family reunification (i.e., they may bring along family members when entering the country).

Q12b. If yes, Please complete the table below with regard to the policy measures in place to attract immigrant business owners in your Member State.

Measures	Brief description of the measure in the Member State
What do these specific measures entail? (active promotion / information dissemination / campaigns / events including in third countries, etc.)	No such measures exist Attraction of business to the Republic of Lithuania is assigned to Invest Lithuania, the foreign direct investment development agency under the Ministry of Economy. The priority is given to the attraction of large investors, whereas specific measures to attract small-sized business owners are not available.
Does a list of specific procedural facilitations for admission exist? If yes, please explain what they entail (reduced costs, shortened processing time, reduced documentary requirements, minimum residence period required (per year), possibility of renewal, etc.)	The amendments to the Law in force as of 01-11-2014 provide facilitated conditions for those who invest more (not less than LTL 900 000 (from 01-01-2015 – EUR 260 000) and create more workplaces (not less than 5) – their application for the issuance of a permit is examined within a shorter period of time (up to 2 months), a temporary residence permit is issued and replaced for a period of 3 years; family members are allowed to accompany a foreigner when entering the country.

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Do specific support measures exist? (financial / logistic, business support to applicants to establish a business plan, recognition of qualification etc.)	No
Are there specific tax incentives? (benefits, exemptions, etc.)	No
Are immigrant business owners granted access to social benefits?	General procedure applies, just as to other foreigners holding a temporary residence permit.
Are immigrant business owners granted access to citizenship?	Yes, general procedure applies, just as to other foreigners (under the grounds and in compliance with the conditions stipulated by the Law of the Republic of Lithuania on Citizenship).
Does the possibility exist for immigrant business owners to be accompanied by family members? Are family members allowed to access the labour market?	General rules apply. A foreigner whose family members wish to enter for the purpose of family reunification must have resided in the Republic of Lithuania for the last 2 years, hold a temporary residence permit valid for not less than one year and have reasonable prospects of obtaining the right of permanent residence in the Republic of Lithuania. The adopted amendments to the Law (which entered into force on 01-11-2014) provide that the foreigners who have invested in an enterprise's equity capital more than LTL 900 000 (from 01-01-2015 – EUR 260 000) and have created not less than 5 workplaces may be accompanied by their family members. Yes, they are released from the requirement to obtain a work permit.
Other (please state)	

Q13a Does your Member State have any bilateral or other agreements in place with Third Countries to attract immigrant business owners?

No

Q13b. Does your Member State share information and coordinate its policies with other Member States? Does your Member State consult other Member States on the issuing of the documents listed in Q15 to immigrant business owners?

Lithuania provides information under queries and questionnaires received from other Member States.

[Section 1.4: Immigrant business owners national policies: pre-arrival stage \(admission criteria\) and stay \(renewal\) \(Maximum 3 pages\)](#)

Section 1.4 aims at providing an overview of the admission criteria applied by Member States in order admit immigrant business owners from third-countries to the national territory. The section also examines whether Member States require business owners to submit a business plan and the specific procedures in place with regard to this. Finally, this section touches upon also criteria linked to the renewal / withdrawal of their residence permit / long-stay visa.

EMN NCPs are asked to provide their answers to the questions below.

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Q14a. Please indicate the criteria to admit immigrant business owners in your Member State in the table below. All listed requirements imply a Yes/No answer: in affirmative cases, EMN NCPs are asked to describe the criteria. If possible, EMN NCPs should also explain whether the same criteria apply to third-country nationals admitted to the national territory under a different immigration channel (family reunification, study, etc.) but willing to change their status into immigrant investors. If possible, EMN NCPs should also explain whether the same criteria apply to third-country nationals admitted to the national territory under a different immigration channel (family reunification, study, etc.) but willing to change their status into immigrant investors.

Admission criteria	Explanation	Do the same criteria apply to third-country nationals present in your Member State who have another status and are willing to change it into business owners?
Evidence of entrepreneurial skills (experience in running businesses, turnover of activities in the country of origin, etc.)	<p>No</p> <p>Although Minister of the Interior Order No 1V-329⁵ stipulates that when issuing a temporary residence permit a foreigner's qualifications and experience related to the professional activity which (s)he intends to pursue in the Republic of Lithuania and an enterprise's objectives, nature of activities, turnover and duration must be indicated, in practice these skills were not assessed. The Migration Department has no legal basis for requesting documents for the purpose of assessing the foreigner's entrepreneurial skills.</p> <p>In practice, if there are doubts as to the purpose of a foreigner's entry the officers of Lithuanian visa services may request the foreigner to fill out a questionnaire intended for the verification of the validity of entry of the foreigners who have set up businesses. This questionnaire contains questions about the foreigner's entrepreneurial skills, professional qualifications, the enterprise's activities, etc.</p>	Yes
Minimum level of educational achievement / professional	No.	Yes

⁵ Minister of the Interior of the Republic of Lithuania Order No 1V-329 of 12 October 2005 on Approval of the Description of the Procedure for Submitting Documents to Obtain a Temporary Residence Permit in the Republic of Lithuania and Issuing to Foreigners, Replacing and Withdrawing Temporary Residence Permits in the Republic of Lithuania, Also Assessing Whether a Marriage or a Registered Partnership has been Contracted or a Child has been Adopted for the Foreigner to Obtain a Temporary Residence Permit in the Republic of Lithuania.

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skills (please specify)		
Evidence of capital (minimum sum required)	<p>According to Article 45(1)(1) of the Law in force until 01-11-2014, the nominal value of a proportion of the authorised capital held in an enterprise by an alien who registers the enterprise in Lithuania as its owner must be not less than LTL 50 000.</p> <p>If an alien is admitted under Article 45(2) of this Law (as the head or an authorised representative of an enterprise, agency or organisation, if the main goal of his entry is work at the enterprise, agency or organisation), then general requirements for the amount of the enterprise's capital (see Q17) apply, but the requirement for the nominal value of the proportion of the authorised capital (LTL 50 000) does not apply.</p> <p>The adopted amendments to the Law in force as of 1 November 2014 provide that the value of the equity capital of an alien's enterprise must be not less than LTL 100 000 (from 01-01-2015 – EUR 28 000), of which not less than LTL 50 000 (from 01-01-2015 – EUR 14 000) must be the funds invested by the alien. However, if the alien establishes an individual enterprise or a small partnership, (s)he is subject to the requirement for the enterprise's assets, rather the requirement for the capital.</p>	Same criteria apply.
Contribution to the economy / employment of the Member State (national interest, "jobs - created", contribution to specific sector, innovativeness of activity, introduction of new technologies, etc.)	The adopted amendments to the Law in force as of 1 November 2014 introduce a requirement for the creation of workplaces (not less than 3 workplaces providing full-time employment to citizens of Lithuania or aliens permanently residing in Lithuania), which may be considered as contribution to the country's economy. Until 01-11-2014, the Law did not provide for such a requirement.	Same criteria apply.

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<p>Business plan <i>If a business plan is required, please complete the table in Q14b</i></p>	<p>Minister of the Interior Order No 1V-329 indicates that if a foreigner is unable to provide answers to the questions related to an enterprise's activities, the foreigner is requested to provide a description of the enterprise's activities.</p> <p>In practice, consular and migration officers may request to submit a free-form description of the alien's prospective enterprise, that is, to indicate the specific type of activities which (s)he intends to pursue and the reason for pursuing the activities in Lithuania. This is additional information which, along with other documents, is assessed by the Migration Department in the course of examination of an application for the issuance of a temporary residence permit.</p>	<p>Same criteria apply.</p>
<p>Language knowledge <i>(certification, pre-entry tests, mandatory courses, etc.)</i></p>	<p>Not provided for.</p> <p>In practice, the knowledge of the languages in which it is possible to communicate in Lithuania (Lithuanian, English, Russian) may be assessed by officers of visa services if they have any doubts when an alien who intends to engage in lawful activities in Lithuania applies for the issuance of a national visa. If there are also other circumstances which raise doubts as to the purpose of the alien's entry, the issuance of a national D-type visa to the alien may be refused.</p>	<p>Same criteria apply.</p>
<p>Age requirement for applicants <i>(minimum / maximum)</i></p>	<p>Not applicable</p>	<p>Same criteria apply.</p>
<p>Insurance requirement <i>(personal and/or for the investment)</i></p>	<p>General admission conditions apply.</p>	<p>Same criteria apply.</p>
<p>Security / background checks in place <i>(fraud checks, tax avoidance, previous bogus activities, money origin / money laundering, etc.)</i></p>	<p>Minister of the Interior Order No 1V-329 indicates that if a foreigner is unable to provide answers to the questions related to an enterprise's activities, (s)he is requested to submit additional documents evidencing the enterprise's activities (contracts evidencing economic and commercial activities, an</p>	<p>Same criteria apply.</p>

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	<p>annual corporate income tax return, a contract for the rent of premises).</p> <p>In practice, officers of Lithuanian visa services and of the Migration Department may also take into account the fact whether a foreigner attempted visa fraud in the past, etc.</p> <p>The Law in force as of 1 November 2014 stipulates that an alien may be refused a temporary residence permit if (s)he has debts to the state and tax arrears (Article 35(1)(11) of the Law).</p>	
Other	<p>Residential premises.</p> <p>The Law in force until 01-11-2014 did not stipulate requirements for residential premises. The institutions exercising control of the lawfulness of foreigners' stay have observed that the foreigners entering on the ground of lawful activity declare their place of residence at the same addresses (e.g., dozens of foreigners in a single apartment) or at the premises which are not suitable for living purposes.</p> <p>The adopted amendments to the Law introduce the requirement for suitable residential premises. Aliens who apply for the issuance of a temporary residence permit must have suitable residential premises (meeting construction, hygiene and fire safety requirements) where they intend to declare their place of residence and whose living space per each adult person would be not be less than 7 sq. m.</p>	Same criteria apply.

Q14b. In case a business plan is required, EMN NCPs are asked to complete the table below. All listed requirements imply a Yes/No answer: in affirmative cases, EMN NCPs are asked to describe the requirements with additional information:

A business plan is not required. However, the officers examining applications for the issuance of a residence permit (officers of both the Migration Department and migration services) may request a foreigner to submit a free-form description of his/her prospective enterprise or a questionnaire about the enterprise's activities, its operational plan, vision, etc. This may be requested also by officers of Lithuanian visa services if they have doubts as to the real purpose of the foreigner's entry.

Business plan	Explanation
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National institution responsible for the approval / Self-assessment	
Information required on legal aspects of the business (form of the business, principal activity, subsidiary of existing activity)	
Information required on the commercial and financial aspects (type of business / services, origin of the capital to invest, target groups, preliminary contracts, nature of the investment, performance indicators, feasibility analysis, etc.)	
Duration of examination of the business plan	
Documentation required (please provide a list of the documents required)	
Review period	
Other	

Q15. If the criteria for admission are satisfied what initial document is issued? Please provide any detail on:

- type of document issued (e.g. short-stay visa, authorisation to stay, long-stay visa, residence permit, etc.),
- its duration
- whether it is longer than the usual duration which applies to other categories of third-country nationals
- whether its validity differs (and how) from its renewal.

Under the regulation in force until 01-11-2014:

- A foreigner who intends to engage in lawful activities in Lithuania lodges with a Lithuanian visa service an application and submits all required documents to the Migration Department, which assesses whether the foreigner meets conditions for the issuance of a temporary residence permit and makes a decision to issue the temporary residence permit; the application must be examined within 4 months (from 01-02-2014, the application may be examined under the urgency procedure, that is, within 2 months);
- When a decision is made on the issuance of the temporary residence permit, the foreigner may apply to a Lithuanian visa service for the issuance of a single entry national visa. An officer of the visa service assesses whether there are grounds to refuse the issuance of the national visa as listed in Article 19 of the Law and issues the single entry national visa within 15 days;
- Upon receiving the visa, the foreigner enters Lithuania and applies to a migration service for the issuance (processing) of a temporary residence permit, which takes 10 working days (under the urgency procedure – 5 working days);
- The temporary residence permit is valid for one year. After a year, the foreigner may apply for replacement of the permit.

Upon the entry into force on 1 November 2014 of the amendments to the Law, a foreigner intending to start

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up a business in Lithuanian will be issued a national visa. After 6 months of stay and if s(he) fulfils other conditions indicated in the Law, s(he) may be issued a temporary residence permit.	
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Q16. Where and by which institution / organisation (internal or abroad) are the documents issued? (e.g., diplomatic mission in the third country; other responsible representative; intermediary agency, etc.)

Decisions on the issuance of a temporary residence permit in the Republic of Lithuania are made by the Migration Department. Temporary residence permits are issued (handed in) by migration services according to a foreigner's place of residence in Lithuania. A foreigner who receives a decision of the Migration Department on the issuance of a temporary residence permit while staying abroad applies to a visa service of the Republic of Lithuania for the issuance of a national visa. Upon receiving the national visa and entering the Republic of Lithuania, the foreigner applies to a migration service according to his place of residence for the processing of a temporary residence permit in the Republic of Lithuania.	
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Q17. EMN NCPs are asked to complete the information requested in the table below in relation to registration of businesses by immigrant business owners in your Member State:

Registration of businesses by immigrant business owners in your Member State	Explanation
National institution responsible for the registration of the business in the Member State	In Lithuania, in order to register a business the required documents must be submitted to the Register of Legal Entities. The founder of the Register of Legal Entities is the Government, and the administrator of the Register – the Ministry of Justice. The manager of the Register is the Centre of Registers.
Type of business (main business, subsidiary or branch. Please explain whether it is a transparent or non-transparent entity for tax reasons, i.e. determining if the business owners registers himself/herself as an individual or as a legal entity).	<p>Foreigners wishing to obtain a temporary residence permit in Lithuania on the ground of business establishment in Lithuania may not register themselves as a natural person and must register their business as a legal person.</p> <p>A foreigner may freely choose an enterprise's legal form (for example, a individual enterprise, a private limited liability company, a small partnership, etc.). In Lithuania, the most popular legal form of an enterprise is a private limited liability company (abbreviated as 'UAB'), this legal form is most often chosen also by foreigners establishing business in Lithuania. Individual enterprises are also popular, because they are relatively easy to establish (e.g., aliens do not need to have a capital in the amount of LTL 50 000).</p>
Place of registration of business (in the Member State or in the country of origin / a third country. Is it mandatory for a third country national to be present in a country when registering a business or can this be done outside (using an agent / third party)?	An enterprise's registration documents must be submitted to the Register of Legal Entities. This can be done in person, online (additional requirements apply) or through an authorised representative, that is, a foreigner needs not to be present in the Republic of Lithuania to register an enterprise. This option is often used by foreigners who do not seek to develop business in Lithuania, but obtain a residence permit on the ground of lawful activity.
Main requirements for registration of business (capital, employees. Please state whether the requirements is different from that applied to EU nationals)	<p>Foreigners most often establish in Lithuania private limited liability companies (UAB), hence further discussion will focus on the main requirements applicable to this form of business.</p> <p>Main requirements:</p> <ol style="list-style-type: none"> 1. The following founding documents must be drawn up: <ol style="list-style-type: none"> a. Memorandum of Association or act of establishment (if a private

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	<p>limited liability company is established by a single person) stipulating the terms of establishment;</p> <ol style="list-style-type: none"> b. Articles of Association providing for the goals of activities of the company, its management bodies, their remit, rights and duties of shareholders, etc.; c. Minutes of the statutory meeting of shareholders. The document approves members of the company's management bodies (the Board or the head of the company) and endorses the Articles of Association of the company. If the company is established by a single person, instead of the minutes an inaugural decision of the founder is drawn up. It is possible not to draw up the minutes and the decision if members of the company's management bodies are indicated in the Memorandum of Association or the act of establishment. <ol style="list-style-type: none"> 2. The authorised capital must be formed. In Lithuania, the minimum amount of the authorised capital must be not less than LTL 10 000. This sum must be deposited in the enterprise's bank account. 3. All the above-mentioned documents must be submitted to a notary. In addition, the consent of the owner of the premises at which the registered office of a private limited liability company is registered to provide the premises for the company's registered office must be submitted. 4. The documents certified by the notary must be submitted to the Register of Legal Entities. The private limited liability company is registered not later than within 3 working days from the submission of the documents. <p>Private limited liability companies may be established also online provided that all of the following conditions are met: standard founding documents are used; the authorised capital is paid in cash only; the premises at which a private limited liability company will be established are not subject to seizure; the name of the company has been reserved; the name of the company will not contain the abbreviated version of the name of the state, that is, 'Lithuania'; the founder uses a qualified electronic signature.</p> <p>It is necessary to mention that when establishing an enterprise in Lithuania it is not required to create a certain number of workplaces. The foreigners who do not apply for the issuance of a residence permit are subject to the abovementioned requirements. If a foreigner applies for the issuance of a temporary residence permit on the ground of business establishment, (s)he is subject to conditions for the issuance of a temporary residence permit as stipulated by the Law on the Legal Status of Aliens:</p> <ul style="list-style-type: none"> ➤ Until 01-11-2014, the following requirements applied: <ul style="list-style-type: none"> ○ The nominal value of an alien's proportion of the authorised capital held in an enterprise must comprise not less than LTL 50 000. ○ If an alien is admitted as the head and owner of an enterprise, he is not subject to the requirement for the proportion of the authorised capital to comprise not less than LTL 50 000, but is subject to the abovementioned general conditions for the establishment of an enterprise. ➤ According to the adopted amendments to the Law in force as of 1 November 2014, the following requirements will apply: <ul style="list-style-type: none"> ○ 3 workplaces must be created, and the value of the equity capital must be not less than LTL 100 000 (from 01-01-2015 – EUR 28 000), of which not less than LTL 50 000
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	<p>(from 01-01-2015 – EUR 14 000) must be the funds invested by an alien or other assets (a residence permit is issued for a period of 1 year and replaced for a period of 2 years);</p> <ul style="list-style-type: none"> o Not less than 5 workplaces must be created, and not less than LTL 900 000 (from 01-01-2015 – EUR 260 000) must be invested in the enterprise's equity capital (a temporary residence permit is issued and replaced for a period of 3 years).
Does your Member State impose restrictions to admit immigrant business owners based on the type of business, the specific sector or their country of origin?	Such restrictions are not imposed.
Other (Health, etc.)	<p>It should be noted that in practice, foreigners wishing to establish or purchase an enterprise are often assisted by Lithuanian residents or enterprises under their control. Such enterprises present Lithuania as a country in which it is easy to obtain a temporary residence permit and help to process all the documents of an enterprise to be established or repurchased as well as to submit documents for the issuance of a temporary residence permit.</p> <p>When establishing an enterprise in Lithuania, it is required to indicate the enterprise's registration address, but it is not required for the enterprise to carry out actual activities at that address and there are no limitations as to how many enterprises may be registered at one address. This leads to a situation when Lithuanian enterprises acting as intermediaries of foreigners in establishing/purchasing enterprises register at one address a large number of foreigners' enterprises, but the address is absolutely unsuitable for the carrying out of the enterprise's activities (for example, a garage), which only confirms the trend that enterprises are acquired in order to obtain a temporary residence permit and thus gain the right to move within the Schengen Area.</p>

Q18. EMN NCPs are asked to provide information on the criteria to be met in case of extension of the document issued for the stay of immigrant business owners. Please provide details of the type of document issued and its duration.

Renewal criteria	Explanation
What are the requirements related to the purpose of stay (business) that need to be met in order to prolong/extend the initial authorisation of stay/ long-stay visa/residence permit?	<p>Replacement of a temporary residence permit is subject to requirements for a foreigner and an enterprise as stipulated by the Law.</p> <p>According to the Description, a foreigner wishing to replace a temporary residence permit in the Republic of Lithuania on the ground of lawful activity must submit documents evidencing the activities pursued by his enterprise:</p> <ul style="list-style-type: none"> ➤ contract (contracts) evidencing economic and commercial activities, ➤ annual corporate income tax return, ➤ contract for the rent of premises, etc. <p>Doubts that the purpose of a foreigner's entry is obtaining of a temporary</p>

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	<p>residence permit in the Republic of Lithuania rather than engaging in lawful activities (during an interview with an officer of a migration service, the foreigner is unable to provide an answer to the questions related to activities of a registered enterprise, he does not receive income from the enterprise's activities, etc.) constitute a basis for requesting a description of activities and additional documentary evidence of the actual activities of the established enterprise:</p> <ul style="list-style-type: none"> ➤ accounting documents, ➤ documents evidencing payment of taxes to the state budget, ➤ documents evidencing performance of transactions, etc. <p>The adopted amendments to the Law which entered into force on 1 November 2014 introduces the concept of a 'bogus enterprise' and commission to stipulate, under an act of subordinate legislation, criteria for the assessment of whether an enterprise is a bogus enterprise. According to the Law, the procedures of the issuance and replacement of a temporary residence permit will also include a mandatory assessment of whether the enterprise established by the foreigner actually carries out activities and is not a bogus one must also be assessed.</p>
<p>Is there a requirement that a business is active during the extension of permits?</p> <p>If so, what indicators are used to assess this? (Volumes of turnover, amount of paid taxes, staff employed, compliance of immigrant investors and their investment, etc.)</p> <p>Who assesses this information?</p>	<p>Yes. According to the Description, a foreigner must submit documents evidencing an enterprise's activities (contract (contracts) or other documents evidencing economic and commercial activities, annual corporate income tax returns, contracts for the rent of premises, etc.). If the Migration Department suspects that the foreigner pursues the sole aim of obtaining a temporary residence permit in Lithuania, rather than engaging in lawful economic and commercial activities, the Migration Department may impose on a migration service the obligation to check, after the lapse of 6-7 months following the processing of the temporary residence permit, whether the enterprise actually carries out the declared activities. The Migration Department also refers to the relevant authorities (the State Tax Inspectorate, the State Social Insurance Fund Board, etc.) with a view to ascertaining whether the established enterprise submitted tax returns and paid taxes.</p> <p>All the collected information is assessed by the Department of Migration. As mentioned above, if there arise any ambiguities or questions enquiries are forwarded to the State Tax Inspectorate, the State Social Insurance Fund Board, the Customs Department and the State Labour Inspectorate for the purpose of clarifying and obtaining additional information on activities of a specific enterprise.</p>
<p>Are there time-related requirements during which a business needs to have been started up, taxes paid and staff employed in order to get the validity of the document extended?</p>	<p>Enterprises established by foreigners are not subject to any special requirements. General requirements stipulated for enterprises (timely payment of taxes, provision of financial statements to the relevant authorities, etc.) apply.</p>

[Section A1.5: Other business persons: overview of national policies \(Maximum 1 page\)](#)

This section examines the conditions for the admission of **other third-country nationals who travel to the EU for business reasons** ("other business persons"). These categories include (but are not limited to) the temporary admission of third-country nationals under international trade agreements (i.e. the pre-defined six

"Mode 4" categories tackled by the EU free-trade agreements listed in Annex 2). Other business persons may be admitted either on a short-stay visa or long-stay visa. EMN NCPs are asked to indicate if and how these categories are defined by the national legalisation of their Member State. They are required to indicate whether they are targeted by specific policies (programmes, schemes), whether they are admitted and registered as such in their administrative practices and/or separately from those entering via different migration channels.

EMN NCPs are also requested to provide information on current admission criteria, including the length of their stay, any other specific eligibility condition and collect available data.

The Law does not provide for a separate immigration scheme intended for third-country nationals admitted under international trade agreements. Under Article 144 of the Law, provisions of international treaties to which Lithuania is a party take precedence over the provisions of the Law. Thus, third-country nationals meeting the requirements specified in compliance with Lithuania's international obligations may enter Lithuania directly under international agreements to which Lithuania is a party. According to points 9.1 and 9.2 of the Description of the Conditions of and Procedure for the Issuance of Work Permits to Foreigners⁶ (hereinafter: the 'Order of the MSSL'), such foreigners are exempted from the obligation to obtain a work permit. This order defines the above-mentioned categories as follows:

- **foreigners who are admitted to the Republic of Lithuania for the purpose of arranging negotiations for conclusion of a contract and the performance of this contract, personnel training, commercial establishment and installation of equipment for a period not exceeding 3 months per year;**
- **foreigners who are admitted to the Republic of Lithuania for a period not exceeding 3 years for the purpose of working as heads or as professionals for a representative office or branch of an enterprise of a foreign state or for an enterprise which belongs to the same group of enterprises, where such a representative office or branch or enterprise is established in the Republic of Lithuania, if before the admission to the Republic of Lithuania they worked for not less than one previous year for that enterprise of the foreign state, and their expertise or high professional qualifications are necessary for the activities of the enterprise, representative office or branch established in the Republic of Lithuania.**

In order to legitimise their stay in Lithuania, these foreigners must obtain either a visa or a residence permit in the Republic of Lithuania. Documents are issued to them under the general procedure.

A multiple entry national visa may be issued to such foreigners for a period of up to 1 year in accordance with Article 17(4) of the Law as to foreigners whose purpose of entry into Lithuania is a long-term stay in Lithuania. If such third-country nationals need to stay in Lithuania for more than a year, they could apply for the issuance of a temporary residence permit on the ground that they are exempt from the obligation to obtain a work permit (Article 44(1)(2) of the Law). A temporary residence permit would be issued to them to be issued for a period during which they intend to work in Lithuania, but not longer than for 2 years. The Law does not specify whether such foreigners could apply for the replacement of a temporary residence permit, but, based on legal analogy, it can be concluded that the temporary residence permit would be replaced to them on the same grounds as to other foreigners.

It should be noted that Lithuania has not transposed Directive 2014/66/EU into its national law yet.

⁶ Minister of Social Security and Labour of the Republic of Lithuania Order No A1-133 of 27 March 2013 (with the latest amendments done by Minister of Social Security and Labour of the Republic of Lithuania No A1-519 of 30 October 2014).

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Q19. How are the following categories (listed in Annex 2) defined under the national legislation of your Member State?

Categories of other business persons	Definitions
<i>Business visitors for establishment purposes (BVEP)</i>	<i>Foreigners who are admitted to the Republic of Lithuania for the purpose of arranging commercial establishment for a period not exceeding 3 months per year (Order of the MSSL)</i>
<i>Intra-corporate transferees (ICT)⁷</i>	<i>Foreigners who are admitted to the Republic of Lithuania for a period not exceeding 3 years for the purpose of working as heads or as professionals for a representative office or branch of an enterprise of a foreign state or for an enterprise which belongs to the same group of enterprises, where such a representative office or branch or enterprise is established in the Republic of Lithuania, if prior to the admission to the Republic of Lithuania they worked for not less than one previous year for that enterprise of the foreign state, and their expertise or high professional qualifications are necessary for the activities of the enterprise, representative office or branch established in the Republic of Lithuania (Order of the MSSL)</i>
<i>Business sellers (BS)</i>	<i>Foreigners who are admitted to the Republic of Lithuania for the purpose of arranging negotiations for conclusion of a contract and performance of the contract for a period not exceeding 3 months per year (Order of the MSSL)</i>
<i>Independent professionals (IP)</i>	This category is not defined. Applications lodged by such third-country nationals for the issuance of a multiple entry national visa would be examined on a case-by-case basis under the general procedure.
<i>Contractual services suppliers (CSS)</i>	This category is not defined. Applications lodged by such third-country nationals for the issuance of a multiple entry national visa would be examined on a case-by-case basis under the general procedure.
<i>Graduate trainees (GT)</i>	This category is not defined. Applications lodged by such third-country nationals for the issuance of a multiple entry national visa would be examined on a case-by-case basis under the general procedure.
<i>Other (please describe)</i>	Not applicable

Q20. Does your Member State have a specific policy (programme, scheme) for other business persons as defined by the study template? EMN NCPs are asked to complete only the sections that are relevant to their national context.

No specific policy applies to other business persons.

Categories of other business persons	Is there a specific policy, for this categories of other business persons? Is it based on tailored multilateral/bilateral trade	Name of policy / programme	What are its main policy objectives (include info on priority national economic sectors / geographical areas / countries of origin if relevant)	Are there any quotas in place?

⁷ For intra-corporate transferees, please indicate where the scope of current legislation and the definition used therein differ from Directive 2014/66/EU on intra-corporate transferees.

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	agreements with third countries?			
<i>Business visitors for establishment purposes (BVEP)</i>				
<i>Intra-corporate transferees (ICT)</i>				
<i>Business sellers (BS)</i>				
<i>Independent professionals (IP)</i>				
<i>Contractual services suppliers (CSS)</i>				
<i>Graduate trainees (GT)</i>				
<i>Other (please describe)</i>				

Q21. Considering the specific policy (programme, scheme) in the previous question, what are the actor(s) and institution(s) involved in the development and implementation of policies on other business persons? If multiple authorities are involved, how are they coordinated? Is there an official mandate – e.g. an Action Plan - governing the involvement of these authorities? Which actor / institution is responsible for the promotion of such policy abroad?

Not applicable

Categories of other business persons	Actors/institutions involved in the development of these policies	Actors/institutions involved in the implementation of these policies	If multiple authorities are involved, how do they coordinate?	Is there an official mandate governing their roles?	Actors/institutions responsible for the promotion of such policy abroad
<i>Business visitors for establishment</i>					

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<i>purposes (BVEP)</i>					
<i>Intra-corporate transferees (ICT)</i>					
<i>Business sellers (BS)</i>					
<i>Independent professionals (IP)</i>					
<i>Contractual services suppliers (CSS)</i>					
<i>Graduate trainees (GT)</i>					
<i>Other (please describe)</i>					

Section 1.6: Other business persons national policies: pre-arrival stage (admission criteria) and stay (renewal) (Maximum 3 pages)

Section 1.6 aims at providing an overview of the admission criteria applied by Member States in order admit subcategories within other business persons from third-countries to the national territory.

Q22. What are the criteria for the admission of other business persons to your Member State? Please answer by completing the table below entering in the last column also useful information on any pre-entry assessment which may be required (labour market test, proof of minimum period of employment, evidence of commitment to return after the temporary stay, minimum education / professional skills, language knowledge, qualifications/certifications, entry quotas, age requirement, insurance requirement, etc.).

Categories of other business persons	Are these categories admitted/endorsed in your systems (under a different name)? (Yes/No)	If yes, under which name are they registered in your systems?	What is the maximum duration of their stay?	What kind of document is issued when admitting other business person?	Is there a (exhaustive) list of admission criteria? If yes, please indicate the criteria.
<i>Business visitors for establishment purposes (BVEP)</i>	Yes (by the order of the Ministry of Social Security and Labour)	No specific name is available	3 months per year	Multiple entry national visa	No. General requirements for the issuance of visas and the requirement to substantiate this ground for entry apply.

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<i>Intra-corporate transferees (ICT)</i>	Yes (by the order of the Ministry of Social Security and Labour)	No specific name is available	Not exceeding 3 years	Multiple entry national visa or temporary residence permit	No
<i>Business sellers (BS)</i>	Yes (by the order of the Ministry of Social Security and Labour)	No specific name is available	3 months per year	Multiple entry national visa	No
<i>Independent professionals (IP)</i>	No	-	Under international treaties of Lithuania	Multiple entry national visa	No
<i>Contractual services suppliers (CSS)</i>	No	-	Under international treaties of Lithuania	Multiple entry national visa	No
<i>Graduate trainees (GT)</i>	No	-	Under international treaties of Lithuania	Multiple entry national visa	No
<i>Other (please describe)</i>					

Q23. EMN NCPs are asked to provide information on the criteria to be met in case of extension of the document issued for the stay of other business persons. Please provide details of the type of document issued and its duration.

Categories of other business persons	What are the requirements related to the purpose of stay (business) that need to be met in order to prolong/extend the initial documents issued?
<i>Business visitors for establishment purposes (BVEP)</i>	Extension of the validity of a multiple entry national visa is not possible, as this visa is issued for the entire period of stay, but not longer than for one year.
<i>Intra-corporate transferees (ICT)</i>	<p>If a third-country citizen is originally admitted under a multiple entry national visa, prior to the expiry of the validity of the visa he may apply to a migration service for the issuance of a temporary residence permit in accordance with Article 44(1)(2) of the Law. In order to obtain the temporary residence permit, he must comply with general grounds for the issuance of the permit and provide evidence of the specific purpose of his entry.</p> <p>If a third-country national immediately applies for the issuance of a temporary residence permit, prior to the expiry of the validity of this permit (s)he must apply for replacement of the residence permit on the same ground.</p>
<i>Business sellers (BS)</i>	Extension of the validity of a multiple entry national visa is not possible, as this visa is issued for the entire period of stay, but not longer than for one year.

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<i>Independent professionals (IP)</i>	Extension of the validity of a multiple entry national visa is not possible, as this visa is issued for the entire period of stay, but not longer than for one year.
<i>Contractual services suppliers (CSS)</i>	Extension of the validity of a multiple entry national visa is not possible, as this visa is issued for the entire period of stay, but not longer than for one year.
<i>Graduate trainees (GT)</i>	Extension of the validity of a multiple entry national visa is not possible, as this visa is issued for the entire period of stay, but not longer than for one year.
<i>Other (please describe)</i>	Not applicable

Section 2: Measures to prevent misuse / abuse of immigration channels for business purposes

This section aims to provide an overview of the measures carried out by Member States for monitoring, detecting and preventing misuse of the migration channels in place for **immigrant investors, immigrant business owners and other business persons** and to explore and map the specific mechanisms in place. EMN NCPs are asked to describe the procedures involved and to provide information on the challenges associated to the detecting, monitoring and preventing misuses, and to distinguish where relevant between the different categories (if the mechanisms are different). This Sections aim to identify also the criteria for withdrawing

Q24. Please provide the following information with respect to the prevention and detection of misuse abuse of immigration channels for immigrant investors, business owners and other business persons at admission stage and during stay. EMN NCPs are first asked to provide the definitions of misuse and abuse according to their national legislation and identify differences where possible.

Issue	Immigrant investors	Business owners	Other business persons
<p>Does your national legislation provide for a definition of misuse and and/or abuse?</p> <p>If yes, do they differ? Please describe</p> <p>If no, how are they defined in practice?</p>	Not applicable	<p>The version of the Law in force until 01-11-2014 did not provide for a definition of either misuse or abuse. The Law stipulated that:</p> <p>A temporary residence permit is withdrawn if it is established that the enterprise whose owner or co-owner the alien is does not perform the declared activities and/or the alien's stay in the Republic of Lithuania is not necessary for the pursuit of the aims and carrying out the activities of the enterprise, agency or organisation (Article 50(1)(7) of the Law).</p> <p>An alien is refused the issuance or replacement of a temporary residence permit or a temporary residence permit is withdrawn if the information submitted by the alien in order to obtain the residence permit is implausible (Article 50(1)(2), Article 35(1)(2)).</p>	No such definitions are available, but Article 19(10) of the Law permits refusal of the issuance of a national visa if there are serious grounds to believe that there may arise the risk of irregular migration. The issuance of a temporary residence permit may be refused on the same ground (Article 35(1)(12) of the Law)

In most cases, the issuance or replacement of a temporary residence permit was refused or it was withdrawn on the basis of the above-mentioned provisions of the Law. However, it should be noted that the practical implementation of these provisions was complicated, as there was no established procedure under which the authorities exercising control of foreigners could claim that a foreigner, upon obtaining a temporary residence permit in Lithuania on the above-mentioned ground, does not actually carry out activities. It was also not clear as to what criteria should be a basis for assessing the foreigner's stay as necessary seeking to achieve the objectives of the enterprise and carrying out its activities. Therefore, the case law was unfavourable in respect of decisions by authorities on the withdrawal of residence permits of the foreigners not carrying out the declared activities.

The amendments to the Law which entered into force on 1 November 2014 define a bogus enterprise:

Bogus enterprise means a private legal person registered in the Register of Legal Entities, which has been established or acquired for the purpose of issuing a residence permit in the Republic of Lithuania to an alien, who is a participant of this legal person as defined by the Civil Code of the Republic of Lithuania, its head or a member of its collegial management or supervisory body, rather than carrying out activities in the Republic of Lithuania as indicated by the founding documents of this legal person (Article 2(6)).

It is also indicated that when issuing or replacing a temporary residence

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		<p>permit to an alien, it must be assessed whether there are serious grounds to believe that the alien is a participant or the head or a member of a collegial management or supervisory body of a bogus enterprise. The assessment will be carried out in accordance with the procedure laid down by the Minister of the Interior (Article 45(5)).</p> <p>A temporary residence permit issued to an alien is withdrawn if it is established that an enterprise is a bogus one or that the enterprise or the alien no longer meets the requirements set by the Law (Article 50(1)(7)).</p> <p>An alien is refused the issuance or replacement of a temporary residence permit or the temporary residence permit is withdrawn if the information submitted by him/her in order to obtain the residence permit is implausible or there are serious grounds to believe that the alien is a participant or the head or a member of the board or the supervisory board of a bogus enterprise (Article 50(1)(2), Article 35(1)(2)).</p> <p>In addition, according to Article 19(10) of the Law the issuance of a national visa may be refused if there are serious grounds to believe that there may arise the risk of an alien's irregular migration. The issuance of a temporary residence permit may be refused on the same ground (Article 35(1)(12) of the Law).</p>	
<p>What are the specific measures in place in the Member States to monitor, detect and prevent misuse/abuse at admission stage? (in addition to the criteria to be satisfied as reported under Sections 1.2)</p>		<p>If officers of visa services suspect that the purpose of a foreigner's entry into the Republic of Lithuania is obtaining a temporary residence permit in Lithuania, rather than engaging in lawful activities, they may take the following steps:</p> <ul style="list-style-type: none"> ➤ consult the Migration 	<p>Same practice applies.</p>

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		<p>Department, which is the central authority on the issues of the issuance of national and Schengen visas. The Migration Department respectively consults the State Security Department and the State Border Guard Service;</p> <ul style="list-style-type: none"> ➤ additionally interview the foreigner and request him/her to fill-out interview sheets. <p>An interview sheet contains detailed questions about the establishment of an enterprise, the place of residence in Lithuania, the activities intended to be pursued, etc.:</p> <ul style="list-style-type: none"> ➤ why the foreigner intends to do business in Lithuania, rather than in another state; whether (s)he is familiar with business conditions in Lithuania; ➤ what specific activities the enterprise intends to carry out; whether it has the necessary authorisations to carry out such activities (if applicable); ➤ whether the foreigner is able to provide a business plan / vision of the enterprise's development; ➤ whether the foreigner has experience / skills in the intended business field; ➤ whether the foreigner speaks any foreign language in which (s)he could communicate in Lithuania; ➤ what funds (s)he intends to subsist on in Lithuania, what remuneration (s)he intends to receive (if taking up employment with the enterprise) and whether it will be sufficient for subsistence in Lithuania. <p>If during an interview a foreigner fails to answer the questions posed to</p>	
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		<p>him/her and clarify his/her intentions to engage in activities in Lithuania, it shows that the foreigner does not intend to actually engage in economic and commercial activities, i.e., when applying for a visa indicates the wrong purpose of travel. Such circumstances can raise reasonable doubts that the real purposes of the foreigner's travel may be quite different from those officially declared, which is likely to result in the risk of irregular migration.</p> <p>Until 01-11-2014, the Law did not provide for a ground for refusal to issue a residence permit to a foreigner if there were serious grounds to believe that there may arise the risk of the foreigner's irregular migration. Therefore, the Migration Department, which examines the submitted documents and assesses all the circumstances, used to make a positive decision regarding the issuance of a temporary residence permit even if in certain cases it had reasonable doubts as to a foreigner's purpose of entry despite the foreigner's compliance with all the requirements of the Law. In the cases when the foreigner was refused the issuance of a national visa by a visa service (if there were grounds to believe that there may arise the risk of the foreigner's irregular migration), such a decision was often appealed again to court, as the foreigner believed that the decision to issue the temporary residence permit was more important, and the refusal to issue the national visa unfairly restricted his/her rights and legitimate expectations.</p> <p>The amendments to the Law in force as of 01-11-2014 stipulate that an alien is refused the issuance or replacement of a residence permit if there are serious grounds to believe that there may arise the risk of the alien's irregular</p>	
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		<p>migration or there are serious grounds to believe that the alien is a participant or the head or a member of the board or the supervisory board of a bogus enterprise.</p> <p>The amendments also stipulate the obligation to assess whether an enterprise is a bogus one when issuing a temporary residence permit on the ground of lawful activity or when replacing it (Article 45(5)). A ground has been stipulated for the withdrawal of the temporary residence permit if it is established that the enterprise has been established for the sole purpose of obtaining a residence permit (see Article 50(1)(7)).</p>	
<p>What are the entities responsible for the monitoring of compliance of immigrant business owners and immigrant investors and what are their specific responsibilities? (Labour Inspectorate, Labour Exchange office, Tax authorities, Ministry of Interior, Migration services)</p> <p>Does a national referral mechanism (or its equivalent) exist? (Yes/No).</p> <p>If yes, how is information shared between stakeholders involved?</p> <p>Is there an obligation to inform about misuse/abuse identified by other institution (migration services, police, tax authority, etc.)</p>		<p>If there are doubts or upon receipt of information about an enterprise, the Migration Department imposes on migration services the obligation to conduct an on-site inspection of the foreigner's enterprise. If doubts arise when issuing the first-time temporary residence permit, a migration service is instructed after the lapse of 6-7 months to conduct an inspection of the enterprise's activities and the foreigner's stay and employment. The instruction is carried out during the period of validity of the first-time temporary residence permit until the lodging of an application for replacement of the temporary residence permit. The migration services conduct inspections of enterprises and foreigners according to their place of residence, draw up findings of the inspections and submit to the Migration Department for the adoption of a decision. The State Labour Inspectorate checks for labour violations in the enterprises established by foreigners. The State Tax Inspectorate conducts checks of operations regarding the activities carried out by the established enterprises.</p>	<p>Same practice applies.</p>

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		<p>Yes.</p> <p>The Migration Department receives written information related to the activities of enterprises established by foreigners from Lithuanian competent authorities, namely, the State Tax Inspectorate, the State Social Insurance Fund Board, the Customs Department, the State Labour Inspectorate.</p> <p>Yes.</p> <p>Upon identifying the factors that give rise to grounds for believing that a foreigner has established a bogus enterprise or does not carry out activities, migration services must carry out an inspection and are under the obligation to submit relevant documents regarding the withdrawal of a permit to the Migration Department.</p>	
What is the frequency of control?		<p>If the Migration Department suspects that a foreigner pursues the sole aim of obtaining a temporary residence permit in Lithuania, rather than pursuing lawful economic and commercial activities, the Migration Department may impose on an appropriate migration service the obligation to check, after the lapse of 6-7 months following the processing of the temporary residence permit, whether the enterprise actually carries out the declared activities.</p> <p>At the request of the Migration Department, on-the-spot checks may be conducted also by the State Labour Inspectorate.</p>	
What are the main sectors where misuse/abuse occurs? (real estate, transfer of capital, national funds / bonds, business investments, etc.)		<p>If a foreigner establishes an individual enterprise, abuse most often occurs in the following sectors:</p> <ul style="list-style-type: none"> ➤ trade in motor vehicles; 	Not specified

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<p>Please list the top three</p>		<ul style="list-style-type: none"> ➤ trade in food products; ➤ trade in cosmetics and other articles. <p>If a foreigner establishes a private limited liability company whose owners and heads are members of a single family, abuse most often occurs in the companies whose activities are related to the provision of services and trade.</p>	
<p>If misuse/abuse is detected, what are the penalties imposed on the third-country national concerned (<i>withdrawal of long-stay visa/residence permit, loss of any other related right/benefit, loss of the certificate of establishment, legal proceedings, fines, removal order, confiscation of activities/revenues, etc.</i>)</p>		<p>If it is established that a foreigner does not carry out the declared activities and/or the foreigner's stay in the Republic of Lithuania is not necessary seeking to achieve an enterprise's objectives and carrying out its activities or that the foreigner submits implausible data, then a temporary residence permit is withdrawn by a decision of the Migration Department (according to the version of the Law in force until 01-11-2014).</p> <p>The decision of the Migration Department may be appealed against to a regional administrative court. A decision of the regional administrative court may be appealed against to the Supreme Administrative Court of Lithuania. A decision of the latter court is final and not subject to appeal.</p> <p>Legal acts previously did not establish any objective criteria on the basis of which it would be possible to claim that a foreigner's enterprise is a bogus one, hence foreigners often appeal against such a decision of the Migration Department to a regional administrative court. The court assesses whether the Migration Department was active and consistent in conducting its investigation, i.e., whether the decision adopted by the Migration Department is legitimate and justified.</p> <p>The amendments to the Law in force as of 01-11-2014 clearly define a bogus enterprise and provide a</p>	<p>Same regulation applies</p>

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		<p>basis for establishment, under an order of the Minister of the Interior, of criteria for evaluating whether an enterprise is a bogus one, i.e., whether it has been established or acquired by a foreigner for the sole purpose of obtaining a residence permit, rather than engaging in lawful activities in Lithuania. Upon establishing that the enterprise is a bogus one, a temporary residence permit will not be issued or replaced or it will be withdrawn.</p>	
<p><i>What other circumstances might result in the withdrawal / non-renewal of a long-stay visa / residence permit?</i></p>		<p>According to Article 50 of the Law (version of the Law in force until 01-11-2014), a temporary residence permit may be withdrawn on the following grounds:</p> <ol style="list-style-type: none"> 1. the permit has been obtained by fraud; 2. it transpires that there are grounds provided for in paragraph 1 of Article 35(1) of this Law; [...] 7. it is established that the enterprise, agency or organisation whose owner or co-owner the alien is does not perform the declared activities and/or the alien's stay in the Republic of Lithuania is not necessary for the pursuit of the aims and carrying out of the activities of the enterprise, agency or organisation; [..] 13. the alien departs to reside or has been residing in a foreign country for a period longer than six months; 14. the alien's residence in the Republic of Lithuania constitutes a threat to national security, public policy or public health; 15. the alien has repeatedly failed to fulfil, within the set time period, the obligations provided for in Article 36(1) of 	<p>Same grounds apply</p>

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		<p>this Law.</p> <p>Article 35(1) of the Law (version of the Law in force until 01-11-2014) stipulates that an alien is refused the issuance or replacement of a residence permit if:</p> <ol style="list-style-type: none"> 1. his/her residence in the Republic of Lithuania may constitute a threat to national security, public policy or public health; 2. the data which he submitted in order to receive the residence permit are implausible or the submitted documents have been unlawfully obtained or forged or there are serious grounds to believe that a marriage of convenience, a registered partnership of convenience or a fake adoption has been concluded; 3. an alert has been issued for him in the Central Schengen Information System by another Schengen State for the purposes of refusing entry and there are no grounds for issuing a residence permit for humanitarian reasons or international obligations or he has been entered on the national list of aliens prohibited from entering the Republic of Lithuania; [..] 5. (s)he does not possess adequate means of subsistence and/or does not receive regular income to stay in the Republic of Lithuania; 6. he does not own residential premises in the Republic of Lithuania or (s)he does not use the residential premises under a lease or loan for use contract or does not present an undertaking of a natural or legal person to provide him/her with residential premises for the period of validity of the residence permit; 	
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7. (s)he does not have a valid document evidencing health insurance coverage;
8. there are serious grounds to believe that (s)he has committed a crime against humanity or a war crime or committed genocide within the meaning defined in the laws of the Republic of Lithuania, international treaties or other sources of international law;

The amendments to the Law in force as of 1 November 2014 modify the following paragraphs and points of the above-mentioned articles:

- Article 50(7): "it is established that the alien is a participant or the head or a member of a collegial management or supervisory body of a bogus enterprise or that the enterprise or the alien does not meet the requirements specified by Article 45(1)(1) of this Law or that the alien is no longer the head of the enterprise or member of the collegial management or supervisory body or the participant who is entitled to enter into transactions on behalf of the enterprise or he no longer holds by the right of ownership the shares of a public limited liability company or a private limited liability company at a nominal value comprising 1/3 of the company's authorised capital;"
- Article 35(1)(2): "the data which (s)he submitted in order to receive a residence permit are implausible or the submitted documents have been unlawfully obtained or forged or there are serious grounds to believe that a marriage of convenience, a registered partnership of convenience or a fake adoption has been concluded or that the alien is a participant or the head

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		<p>or a member of a collegial management or supervisory body of a bogus enterprise;”</p> <ul style="list-style-type: none"> ➤ Article 35(1)(6): “(s)he does not own in the Republic of Lithuania any suitable residential premises meeting the requirement of living space per person or he does not use the residential premises under a lease or loan for use contract or does not present an undertaking of a natural or legal person to provide him/her with suitable residential premises meeting the requirement of living space per person for the period of validity of the temporary residence permit;” <p>Article 35(1) has also been supplemented with the following points:</p> <ul style="list-style-type: none"> ➤ 13. (s)he has tax arrears exceeding one base social benefit to the state budget of the Republic of Lithuania, municipal budgets or the funds the taxes paid whereto are administered by the State Tax Inspectorate under the Ministry of Finance of the Republic of Lithuania, or to the State Social Insurance Fund (except for the cases of deferral of payment of taxes, late payment interest and fines for the alien in accordance with the procedure laid down by laws of the Republic of Lithuania or a tax dispute pending in respect of such taxes, late payment interest and fines), fails to meet obligations to the customs or fails to pay the fine/fines imposed in accordance with the procedure laid down by laws of the Republic of Lithuania in the amount exceeding one base social benefit; ➤ 14. there are serious grounds to believe that there may arise 	
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		the risk of the alien's irregular migration.	
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Q25a. Is there any evidence of the effectiveness of the measures used in your Member State to monitor, detect and prevent misuse / abuse and the problems/challenges faced (lack of instruments, lack of cross-analysis, access to data, etc.)?

No

Q25b. If yes, please indicate to which business persons the evidence refers to (investors, business owners, other business people) and please summarise the main findings here and include a reference to the source in an annex to your national report.

Not applicable

Section 3: Evaluation of policies to admit third-country nationals for business purposes, challenges and barriers

This section aims to explore the impact of policies to admit **immigrant investors** (Section 3.1), **business owners** (Section 3.2) and **other business people** (Section 3.3) on the economy / society of the Member States. In particular, the questions below aim to understand to what extent such policies (programmes or schemes) have been evaluated and what are the results achieved.

Section 3.1: Immigrant investors (Maximum 1.5 pages)

Q26a. Have any evaluations or studies in your Member State considered the effectiveness of national policies to attract immigrant investors?

Yes / no

Q26b. If yes, please summarise the main findings here and include a reference to the evaluation or study in an annex to your national report.

If no, please provide also any other evidence/indicator that may be available in your Member State in this regard (media reporting, media debates, assessment by experts etc.).

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Q27a. Have any evaluations or studies in your Member State considered the effectiveness of the national policies to attract immigrant investors to the growth of the national economy and/or in competing with other larger economies, and have specific indicators been developed?

Yes / no

Q27b. If yes, please summarise the main findings here and include a reference to the evaluation or study in an annex to your national report.

If no, please provide also any other evidence/indicator that may be available in your Member State in this regard (media reporting, media debates, assessment by experts etc.).

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Q28a. Have any evaluations or studies in your Member State considered the impact of the national policies to attract immigrant investors on other social issues (employment, access to housing, discrimination, etc.) and have specific indicators been developed?

Yes / no

Q28b. If yes, please summarise the main findings here and include a reference to the evaluation or study in an annex to your national report.

If no, please provide also any other evidence/indicator that may be available in your Member State in this regard (media reporting, media debates, assessment by experts etc.).

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Q29. What evidence exists (policy documents, political discourses, media coverage, NGO campaigns, case law examples etc.) that immigrant investors are perceived as abusing national migration rules in your Member State?

<p>The initiator of the amendments to the Law, the Ministry of the Interior, pursued the aim of curbing the situation of misuse of the Law when aliens established bogus enterprises in Lithuania with a sole aim to obtain residence permits in Lithuania. The adopted amendments to the Law, although they should help to solve the problem of misuse of this channel of admission, may also hamper foreigners' possibilities to start a small business in Lithuania. Requirement to employ 3 workers may create difficulties for foreigners starting a business. According to the Chairman of the Board of Directors of the American Chamber of Commerce in Lithuania, such amendments to the Law will create barriers to and limit the establishment of new small-sized American and other countries' enterprises and business development.</p>	
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Section 3.2: Business owners (Maximum 1.5 pages)

Q30a. Have any evaluations or studies in your Member State considered the effectiveness of national policies to attract immigrant business owners?

Yes / no

Q30b If yes, please summarise the main findings here and include a reference to the evaluation or study in an annex to your national report.

If no, please provide also any other evidence/indicator that may be available in your Member State and provide any examples of good practice in this regard.

<p>The number of temporary residence permits issued in Lithuania on the ground of lawful activity over the last years has grown significantly from 1 200 temporary residence permits in 2009 to 6 000 temporary residence permits in 2014. Some temporary residence permits are likely to have been issued to foreigners whose main purpose of entry was not business development or work for an enterprise, but the intention to obtain a temporary residence permit and depart to other EU Member States.</p>	
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Q31a. Have any evaluations or studies in your Member State considered the effectiveness of the national policies to attract immigrant business owners to the growth of the national economy, and/or in competing with other larger economies, and have specific indicators been developed?

For this question please consider also the contribution of immigrant business owners who are already present on the territory of your Member State.

No, no such evaluations have been undertaken.

Q31b. If yes, please summarise the main findings here and include a reference to the evaluation or study in an annex to your national report.

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If no, please provide also any other evidence/indicator that may be available in your Member State and provide any examples of good practice in this regard.

Not applicable

Q32a. Have any evaluations or studies in your Member State considered the impact of the national policies to attract immigrant business owners on other social issues (employment social security, discrimination, etc.) and have specific indicators been developed?

No, no such evaluations have been undertaken.

Q32b. If yes, please summarise the main findings here and include a reference to the evaluation or study in an annex to your national report.

If no, please provide also any other evidence/indicator that may be available in your Member State in this regard (media reporting, media debates, assessment by experts etc.).

Not applicable

Q33. What evidence exists (policy documents, political discourses, media coverage, NGO campaigns, case law examples etc.) that immigrant business owners are perceived as abusing national migration rules in your Member State?

In drafting amendments to the Law, the Ministry of the Interior consulted other institutions, collected data on the abuse of the immigration channel for the purpose of lawful activity and established that:

- The number of foreigners who declare the intention to engage in lawful activities (do business), but seek to obtain a temporary residence permit and take advantage of it in order to gain entry into other Schengen countries, rather than actually carry out the activities is increasing;
- Immigrant business owners declare the place of residence in premises not suitable for this purpose or declare it in dozens in a single accommodation;
- There are cases when immigrant business owners fail to pay specified taxes or fines.

This leads to the risk of irregular migration to Lithuania and other Schengen countries.

Section 3.3: Other business persons (Maximum 1.5 pages)

Q34a. Have any evaluations or studies in your Member State considered the effectiveness of national policies to attract other business persons?

No

Q34b If yes, please summarise the main findings here and include a reference to the evaluation or study in an annex to your national report.

If no, please provide also any other evidence/indicator that may be available in your Member State and provide any examples of good practice in this regard.

This category of business persons is of low relevance in the overall context of immigration to Lithuania, thus it falls outside the focus of attention of either policy makers or representatives of the public or the scientific community.

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Q35a. Have any evaluations or studies in your Member State considered the effectiveness of the national policies to attract other business persons to the growth of the national economy, and/or in competing with other larger economies, and have specific indicators been developed?

No

Q35b. If yes, please summarise the main findings here and include a reference to the evaluation or study in an annex to your national report.

If no, please provide also any other evidence/indicator that may be available in your Member State and provide any examples of good practice in this regard.

No

Q36. Does any evidence exist on the impact of other business persons on increased volume of trade, increased mobility, increased visibility, etc. for your Member State? EMN NCPs are asked to corroborate information provided with any available data or source.

No

Q37. What evidence exists (policy documents, political discourses, media coverage, NGO campaigns, case law examples etc.) that other business persons are perceived as abusing national migration rules in your Member State?

No such evidence exists. However, other business persons have neither been perceived as abusing national migration rules.

[Section 3.4: Challenges and obstacles to admitting third country nationals for business purposes \(Maximum 1.5 pages\)](#)

This Section examines the existing challenges and obstacles for the design and implementation of specific policies aiming to attract immigrant investors, immigrant business owners and other business persons and those challenges and barriers reported by the business community. EMN NCPs are asked to address any obstacle to their admission (eligibility criteria, investment plan, business plan, obtaining visa, etc.) or to other macro-level areas such as visa policy, education, trade, etc.).

EMN NCPs are asked to present the findings and analysis of any existing studies / evaluations or evidence collected in any other way and to provide any available statistics in the corresponding tables Annex 1.

Q38. What are the main challenges related to the admission of immigrant investors, immigrant business owner and other business persons in your Member State?

Categories of other business persons	Challenges for national stakeholders associated with the design and implementation of policies for other business persons. <i>If possible studies should be included (sourced as appropriate).</i>	Challenges for applicant at both admission (pre-arrival) and stay stages (e.g. documentation required, waiting times, restrictions, etc.) <i>If possible, the views of the business community, of the immigrant community and studies should be included (sourced as appropriate).</i>
<i>Immigrant investors</i>		

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<p><i>Immigrant business owners</i></p>	<p>There has been a tendency for several years that the foreigners seeking to obtain a temporary residence permit in the Republic of Lithuania and use the permit to enter the Schengen Area establish bogus enterprises or buy such enterprises from others. An impression is created that a foreigner works and receives remuneration, although in fact this enterprise does not carry out any activities, does not pay taxes to the State and the foreigner is even absent from Lithuania. Having been issued a temporary residence permit on the ground of lawful activity, such foreigners tend to depart from Lithuania to other Schengen countries, and the enterprise is resold to another foreigner also seeking to obtain a temporary residence permit.</p> <p>The following circumstances serve as evidence of abuse:</p> <ul style="list-style-type: none"> ▪ Enterprises are registered and sold by the same residents of Lithuania or the enterprises represented by them; ▪ One-to-one contracts for purchase and sale of shares are entered into and same account management companies are used; ▪ Foreigners who do not seek to actually engage in lawful activities most often lack proper professional training and/or professional experience in the field of business in the country of origin. Interviews reveal poor knowledge of a foreign language, the inability to answer questions related to an enterprise registered (such foreigners do not know who established the enterprise, from whom they bought the shares of the enterprise and for what price, neither know the amount of the enterprise's authorised capital, number of shares, their nominal value and the address at which the company is registered, etc.) and present the nature, scope and duration of business development in Lithuania; ▪ Foreigner who has been issued a temporary residence permit on the ground of lawful activity is not employed with the enterprise under 	<p>Tightened procedures may impair the situation of small-sized immigrant business owners. Although the Law provides for a transitional period, it is likely that not all immigrant business owners pursuing real activities will be able to meet the requirement to create 3 workplaces.</p>
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Admitting third-country nationals for business purposes

his/her control;

- Foreigner's enterprise does not carry out any activity (no economic and commercial activities contracts have been concluded with business partners in Lithuania or in foreign countries, the foreigner does not have in place any documents evidencing the purchase and sale of goods, etc.), taxes as stipulated by laws of the Republic of Lithuania are not paid;
- Some enterprises of foreigners do not have an actual registered office, nor premises suitable for the carrying out of activities. Several enterprises are registered at the same address. Lithuanian legal acts do not prohibit the establishment of an enterprise at an address at which other enterprises have already been established and do not require enterprises to carry out their activities at the indicated address;
- Activities of enterprises controlled by foreigners are minimal and do not contribute to economic growth in Lithuania (the annual income of such enterprises is less than LTL 10 000, lawful activities yield no profit or such activities are loss-making, no investments are made in business development);
- Foreigners who have been issued temporary residence permits on the ground of lawful activity subsist on other sources of income not related to the lawful activity in the Republic of Lithuania, rather than on the income from the lawful activity.

These sufficiently profitable services are particularly popular with citizens of some Asian and African states, whose main purpose of entry into the Republic of Lithuania is to obtain a first temporary residence permit on the ground of lawful activity and later move to reside in another Schengen country.

Having regard to the above-mentioned experience, also to experience accumulated in the field of residence permit issuance procedures, amendments to the Law were

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	adopted and entered into force on 1 November this year with a view to achieving more effective control of irregular migration and facilitating conditions for real foreign investors.	
<i>Business visitors for establishment purposes (BVEP)</i>	This category and other categories listed below do not pose any irregular migration or other challenges.	Government authorities do not devote particular attention to this category and other categories listed below, thus public sources of information (websites) lack information on immigration procedures which apply to these categories of foreigners and on the incentives to which they are entitled.
<i>Intra-corporate transferees (ICT)</i>	No information	No information
<i>Business sellers (BS)</i>	No information	No information
<i>Independent professionals (IP)</i>	Not applicable	Not applicable
<i>Contractual services suppliers (CSS)</i>	Not applicable	Not applicable
<i>Graduate trainees (GT)</i>	Not applicable	Not applicable
<i>Other (please describe)</i>		

Section A4: Good practices and lessons learned (Maximum 2 pages)

This Synthesis report will highlight any good practices of Member States that have successfully attracted and facilitated the arrival of immigrant investors, immigrant business owners and other business persons. This section will also tackle the extent to which these practices have favoured the (positive) contribution of third-country nationals to the national economy and their likelihood to be promoted and replicated in other Member States and also the extent to which has created monitoring mechanisms to detect misuse / abuse of these migration channels.

This section will include also lessons learned from the practical implementation of specific policies, programmes or schemes for the targeted categories of third-country nationals: lessons learned may address also assessments of the expected and/or unintended (positive and negative) consequences of specific policies, programmes or scheme (i.e. A so-called investor programme has facilitated the admission of wealthy third-country nationals to

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boost national economy in the real-estate sector. However, as consequence, admitted third-country nationals have invested their money but many properties remain empty due to inflated market rates).

If there are specific examples of good practices that you would like to highlight, please do so below:

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Section 5: Conclusions (Maximum 2 pages)

The Synthesis Report will outline the key findings, main observations of the Study, present conclusions relevant for policymakers at national and EU level and identify policy pointers for future actions.

Specific conclusions drawn by Member States should be included in the Top Line Factsheet to prevent duplication of efforts.

*Admitting third-country nationals for business purposes*Annex 1

Statistics from Member States will be used in the Synthesis Report to contextualise the statistics provided in this annex.

Table 1: Statistics on immigrant investors and immigrant business owners

Indicators	2009	2010	2011	2012	2013	Source / further information
Statistics on immigrant investors⁸						
Number of visa applications (national D-type visas)						
Number of visa issued (national D-type visas)						
Number of visa refused (national D-type visas)						
Number of applications for residence permits (perhaps an estimate e.g. admissions)						
Number of residence permits issued (perhaps an estimate e.g. admissions)						
Number of residence permits refused / withdrawn (perhaps an estimate e.g. admissions)						
Average age of migrant investors who were granted residence permits (and national D-type visas?)						
Statistics on immigrant business owners⁹						
Number of visa applications (national D-type visas)						
Number of visa issued (national D-type visas)						
Number of visa refused (national D-type visas)						
Number of applications for residence permit	411 (data as of 01.09)	1480	2213	3517	4670	Register of Aliens
Number of residence permits issued (perhaps an estimate e.g. admissions)	1215	1346	1859	2814	4179	Residents' Register
Number of residence permits refused / withdrawn (perhaps an estimate e.g. admissions)	1(data as of 01.09)	286	519	566	959	Register of Aliens
Number of residence permits reflecting a change of status into business owner (specifying, if possible, from which category – i.e. student, family member, beneficiary of international						

⁸For Ireland and the United Kingdom, statistics refer to the relevant visas on immigrant investors, but please indicate the name of the visa category to which the data refer to.

⁹For Ireland and the United Kingdom, statistics refer to the relevant visas on business owners, but please indicate the name of the visa category to which the data refer to.

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protection, etc.)						
Average age of immigrant business owners	40-45	40-45	40-45	40-45	40-45	Gyventojų registras
Statistics on other business persons corresponding to Annex 2 (EU Mode 4 categories) and other business persons as recognised by Member States						
Number of third-country nationals admitted under EU Mode 4 categories or equivalent categories indicated in Q22. If available data can be broken down according to the categories in Annex 2, please provide them in a separate spreadsheet.						
Number of visa applications (national D-type visas)						
Number of visa issued (national D-type visas)						
Number of visa refused (national D-type visas)						
Number of visa applications (Schengen C-type visas)						
Number of visa issued (Schengen C-type visas)						
Number of visa refused (Schengen C-type visas)						

Table 2: indications of the average length of time needed for each of the following indicators

The table below is not intended as having detailed, 'hard' statistics on the average length of time taken, but rather as approximate indications. In case you concrete statistics or data are available however, please provide them separately.

- Please indicate with 'X' the (approximate) average length of time needed for each of the indicators.

Average length of time expected (in days)	A few days	From a few days to a week	Up to two weeks	Up to a month	More than a month
Average time expected between lodging an application and the final decision for a visa application of an <u>immigrant investor (national D-type visa)</u>	-	-	-	-	-
Average time expected between lodging an application and the final decision for a visa application of an <u>immigrant business owner (national D-type visa)</u>		x			
Average time expected for registering a business (from application to establishment)			x		
If possible to change status: the average time expected for third-country nationals already present in the Member State to change their status into <u>immigrant investor</u> (from family reasons, study reasons, asylum, etc.)				Urgency procedure	General procedure
If possible to change status: the average time expected for third-country nationals already present in the Member State to change their status into <u>immigrant business owner</u> (from family reasons, study reasons, asylum, etc.)				Urgency procedure	General procedure

Please indicate if statistics are available on businesses established by immigrant business owners and by Business Visitors for Establishment Purposes (BVEP): (such as total number of businesses established by third-country nationals; number of FTEs created by migrant investors and business owners; number of survived / closed

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businesses; share of businesses per size (share of 1; 2-10, 11-19, 20-49, 50+ employees). If possible, EMN NCPs are asked to indicate whether data refer to newly admitted business owners or they include also those third-country nationals already living in their Member States

- Please indicate if statistics are available on the economic effects of immigrant investments or businesses (such as the share of migrant investments out of total annual national investments; number of FTEs created/supported as a result of investments by third-country nationals; the tax contribution to the national revenue systems of immigrant business owners and investors; the increased economic ties / trade volumes with specific third countries as a result of immigrant business owners and investors).

Annex 2**Table 1: Temporary Movement of Natural Persons under international trade agreements – the EU “Mode 4” categories**

Category	Criteria	Length of stay
BVEP: Business visitors for establishment purposes'	Natural persons - working in a senior position who: - are responsible for setting up an enterprise, - do not offer or provide services or engage in any other economic activity than required for establishment purposes. - do not receive remuneration from a source located within the host Party.	Up to 90 days in any twelve month period
ICT: 'Intra-corporate transferees' ¹⁰	Natural persons who: - have been employed by a juridical person or have been partners in it for at least one year - are temporarily transferred to an enterprise, the host entity, that may be a subsidiary, branch or head	Up to 3 years

¹⁰Definition as in Directive 2014/66/EU

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	<p>company of the juridical person in the territory of the other Party,</p> <p>- belong to one of the following categories:</p> <p>1. Managers:</p> <p>Persons holding a senior position, who primarily direct the management of the host entity, receiving general supervision or guidance principally from the board of directors of the business or equivalent; that position shall include:</p> <ul style="list-style-type: none"> - directing the host entity or a department or sub-division of the host entity - supervising and controlling the work of other supervisory, professional or managerial employees - having the authority to recommend hiring, dismissing or other personnel action; <p>2. Specialists:</p> <p>Persons working within a juridical person who possess specialised knowledge essential to the host entity's areas of activity, techniques or management. In assessing such knowledge, account shall be taken not only of knowledge specific to the host entity, but also of whether the person has a high level of qualification including adequate professional experience referring to a type of work or activity requiring specific technical knowledge, including possible membership of an accredited profession;</p>	
GT: Graduate trainees / trainee employees¹¹	Natural persons with a university degree who are transferred to a host entity for career development purposes or in order to obtain training in business techniques or methods, and are paid during the transfer;	Up to 1 year
BS: Business sellers	<p>Natural persons who:</p> <ul style="list-style-type: none"> - are representatives of a services or goods supplier of one Party, - seeking entry and temporary stay in the territory of the other Party for the purpose of negotiating the sale of services or goods, or entering into agreements to sell services or goods for that supplier - do not engage in making direct sales to the general public - do not receive remuneration from a source located within the host Party 	Up to 90 days in any twelve month period

¹¹Directive 2014/66/EU

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	- nor are they commission agents.	
CSS: 'Contractual services suppliers'	<p>Natural persons:</p> <ul style="list-style-type: none"> - employed by a juridical person of one Party which itself is not an agency for placement and supply services of personnel nor acting through such an agency, has not established in the territory of the other Party and has concluded a bona fide contract to supply services with a final consumer in the latter Party, requiring the presence on a temporary basis of its employees in that Party, in order to fulfil the contract to provide services - must be engaged in the supply of a service on a temporary basis as employees of a juridical person, which has obtained a service contract not exceeding twelve months. - should be offering such services as employees of the juridical person supplying the services for at least the year immediately preceding the date of submission of an application for entry into the other Party. - must possess, at the date of submission of an application for entry into the other Party, at least three years professional experience in the sector of activity which is the subject of the contract. - must possess a university degree or a qualification demonstrating knowledge of an equivalent level - must possess professional qualifications where this is required to exercise an activity pursuant to the laws, regulations and legal requirements of the Party where the service is supplied. - shall not receive remuneration for the provision of services in the territory of the other Party other than the remuneration paid by the juridical person employing the natural person.. 	A cumulative period of not more than 6 months or, in the case of Luxembourg, 25 weeks in any twelve month period or for the duration of the contract, whichever is less.
IP: 'Independent professionals'	<p>Natural persons:</p> <ul style="list-style-type: none"> - engaged in the supply of a service - established as self-employed in the territory of a Party who have not established in the territory of the other Party - who have concluded a bona fide contract (other than through an agency for placement and supply services of personnel) to supply services with a final consumer in the latter Party, requiring their presence on a temporary basis in that Party in order to fulfil the contract to provide services - must be engaged in the supply of a service on a temporary basis as self-employed persons established in the other Party - must have obtained a service contract for a period not exceeding twelve months. - must possess, at the date of submission of an application for entry into the other Party, at least six years professional experience in the sector of activity which is the subject of the contract. - must possess a university degree or a qualification demonstrating knowledge of an equivalent 	A cumulative period of not more than 6 months or, in the case of Luxembourg, 25 weeks in any twelve month period or for the duration of the contract, whichever is less.

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	- must possess professional qualifications where this is required to exercise an activity pursuant to the laws, regulations or legal requirements of the Party where the service is supplied.	
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