



BSI_4WOMEN PROJECT

**The guide for women refugees for setting up and running a
business in the partner countries**

Lithuania

I. INTRODUCTION

This guide is developed as part of the **BSI_4WOMEN project** which is financed by the Baltic Sea Program 2021-2027. It is a tool that helps refugee women adapt to a new life in a foreign country and familiarize them with the legal aspects of entrepreneurship, the support system for start-ups, cultural aspects, etc. The guide will be supplemented with existing and project-created webinars, podcasts, films, graphics, and internet tools. The guide will enable refugees to learn about the specificity of the Baltic Sea Program area and will enable them to obtain support in setting up companies and developing business ideas.

II. Establishing a business under the rules applicable in Lithuania

Europe is full of business opportunities. It's important you're aware of the rules when it comes to setting up a business, including value added tax (VAT) and customs, product standards, and employment. There are also several EU funds that you can benefit from as a small business.

Starting a business in the EU

Find out how to launch your start-up and what the legal requirements are regarding navigating incorporation, taxation, employment law, intellectual property, data protection, market access, competition law, import/export regulations, consumer protection, and environmental regulations. There is also information on how to protect your business ideas, rules on annual accounts and mergers with foreign companies, and how to make the most of the staff exchange scheme.

VAT & customs

Find out the rules on VAT, excise duties, parent companies and their subsidiaries, company tax, or check if a business is registered to trade in Europe (EU VAT number).

Product standards & compliance

Standards are voluntary guidelines that provide technical specifications for certain goods, services and processes to help protect the environment and consumer health. Before you can sell a product in an EU country, it must comply with the rules that apply in that country and throughout the EU.

Employment & staff welfare

Find out the requirements set by EU law on the terms of employment for staff, changes to work contracts and on informing and consulting staff. There are also specific rules for transport sector workers and posted workers (employees hired in one country but employed in another).

Import and export rules

The European Commission has data on tariff duties, the technical requirements to trade, food health requirements, anti-dumping and anti-subsidy duties and other issues.

Data protection

The GDPR sets out detailed requirements for companies and organisations on collecting, storing and managing personal data. It applies both to European organisations that process personal data of individuals in the EU, and to organisations outside the EU that target people living in the EU.

What conditions and rules must a migrant meet to be able to register a business in Lithuania? What documents must he have and how to obtain them, which institutions offer support?

Are there any activities that cannot be conducted by a foreigner in Lithuania?

A foreigner who is not a citizen of a Member State of the European Union or of a Member State of the European Free Trade Association must obtain a residence permit to conduct any activity (study, work, establish a company) in Lithuania.

Lithuania has two types of residence permits: temporary and permanent residence permits in the Republic of Lithuania.

Application for the issuance of the temporary residence permit and other documents are submitted to the Migration Department in Lithuania or through an external service provider VFS Global abroad.

A foreigner must first electronically submit an application for an issue or renewal of a temporary residence permit through the Lithuanian Migration Information System (MIGRIS). Upon submission of the application and after booking the visit time through MIGRIS, the foreigner must apply for a temporary residence permit (renewal) in person within 4 months from the date of submission of the application to the MIGRIS and submit the biometric data and original documents.

Before submission of an application to issue/replace the temporary residence permit, the foreigner must pay a 160 EUR state fee (320 EUR for urgent processing), except when the applicant is exempt from payment of state fees

Documents that need to be submitted:

1. Application to issue/change the residence permit (electronically through the Lithuanian Migration Information System MIGRIS);
2. Valid travel document (passport);
3. A temporary residence permit (when it is being replaced);
4. Documents confirming the ground for issuance of temporary residence permit;
5. A document proving a sufficient amount of funds for subsistence and return (a bank account statement, a work contract, or proof of their ability to support themselves financially). A sufficient amount for a month is equal to a minimal wage in Lithuania. In 2023 it is 840 EUR. There should be enough funds for the whole time of validity of a TRP or at least for one year;
6. The undertaking that the foreigner will declare her/his place of residence in Lithuania;
7. Certificate regarding (the absence of) a criminal record. NOTE: criminal record is valid for 6 months. Foreigners who come to work as highly qualified employees can submit a statement written by themselves confirming that they do not have a criminal record;
8. Health insurance;
9. Documents confirming legal stay (f.e. visa) if application is submitted in Lithuania.

Important information for Ukrainian war refugees: <https://migracija.lrv.lt/lt/naudinga-informacija/ukraina-ukrayina-ukraina-ukraine/>

III. What are the pros and cons of each of the legal form of business activity in Lithuania?

Whether you're setting up a business in Europe or already have one, it's important to understand the various legal entities available and the tailored regulations that apply per country for governing and holding such entities accountable.

A business entity is an entity that is formed and administered as per corporate law in order to engage in business activities, charitable work, or other activities allowable. Most often, business entities are formed to sell a product or a service. There are many types of business entities defined in the legal systems of various countries. These include corporations, cooperatives, partnerships, sole traders, limited liability companies and other specifically permitted and labelled types of entities. The specific rules vary by country and by state or province. Some of these types are listed below, by country.

For guidance, approximate equivalents in the company law of English-speaking countries are given in most cases, for example:

- public limited company
- limited partnership
- general partnership
- chartered company
- statutory corporation
- state-owned enterprise
- holding company
- subsidiary company
- sole proprietorship

No.	Legal form of business activity with description	Pros	Cons
1.	Individual activities with a certificate	- can be established by 1 person - Registration is free; - Check-in and check-out takes place 1 working day; - Simple accounting; - If you are registering your business for the first time, you can take State social insurance (VSD) leave for a year.	- Unlimited liability of members, i.e. when a business fails, a person risks his or her personal property; - Only one person can be involved in the activity (eg. a small partnership can have up to 10 members)
2.	Individual activities with business licence	- can be established by 1 person - Income up to 45 000 EUR is subject to a flat-rate income tax set by municipal councils, i.e. it is clear how much tax will have to be paid during the selected period. - The activity can be carried out for the period you want, but not longer than one calendar year	- Exceeding 45 000 EUR is taxed as registered income from individual activities with a certificate. - Can only be carried out for certain activities (the list of activities is exhaustive). - It takes up to 4 working days to withdraw a business license.

No.	Legal form of business activity with description	Pros	Cons
3.	Small partnership	- can be established by 1 person - no requirement for the minimum amount of capital - limited civil liability (a member of a legal entity bears no responsibility for liabilities of a legal entity) - simplified accounting procedure	- only natural persons can be in the partnership. The number is limited to 10 persons
4.	Individual enterprise	- can be established by 1 person - no requirement for the minimum amount of capital - Simplified accounting procedure; the requirement to produce a set of annual financial statements is not applicable.	- only a natural person can be an owner - Owner of an individual enterprise has unlimited civil liability (if the assets of an individual enterprise are not enough to meet all the commitments of the enterprise, the owner of the individual enterprise must cover these liabilities with his own assets).
5.	Private limited liability company	- can be established by 1 person - unlimited number of participants in the company, whether natural persons or legal entities - the minimum amount of capital is not less than EUR 1000 - A shareholder has limited civil liability (a member of a legal entity bears no responsibility for liabilities of a legal entity).	

What are the restrictions on the choice of legal form? Please identify certain types of business activity require a specified legal form.

There are no restrictions in choosing the legal form from those described above. However, there are some limitations regarding activities the foreigner can perform. These activities include:

Foreigners can generally own land in Lithuania, but there are restrictions on acquiring agricultural and forest land. These restrictions protect the country's natural resources.

Some licences and permits, particularly those related to national security, arms, and certain regulated industries, may have additional requirements or restrictions for foreigners.

While Lithuania is generally open to foreign investment, certain strategic sectors may have regulations limiting foreign ownership or requiring additional approvals. These sectors include energy, telecommunications, and defence.

IV. What kind of qualifications are necessary to perform various professions?

If you want to work in your new country, you may need to get your professional qualifications officially recognized before you can start practicing there. Specific conditions apply depending on your profession and the length of your stay.

Before you start working, the authorities in your new country may ask you to provide certain documents, prove your language skills and possibly join a professional association.

For some regulated professions you can use an online procedure to get your professional qualifications recognized in another EU country.

Access to the most popular professions in **Lithuania**, if regulated, and candidates must meet qualifications such as:

- education (completion of an appropriate course of study for a given profession, including a field of study or postgraduate/postgraduate studies,
- passing special exams, e.g. state exams,
- registration in professional body (institutions which offer vacancies).

A work permit or a decision on compliance with the needs of the Lithuanian labour market is issued if the foreigner has:

- qualifications relevant to the work to be done, or
- one year of work experience in the last three years relevant to the work to be done, or
- the foreigner is expected to be paid a monthly salary not less than the last published average monthly gross salary in the national economy (including wage data for individual enterprises) for the calendar year (hereinafter – “last published gross salary”).

A foreigner whose profession is included in the list of professions for which there is a shortage of workers in the Republic of Lithuania, according to the type of economic activity (in this case, quotas are applied. Once the quota is exhausted, foreigners who intend to work in the Republic of Lithuania must obtain a work permit. You can monitor the established quotas [here](#)). The list of the 2024 shortage occupations can be found [here](#).

Moreover, there are 44 regulated professions in Lithuania, which correspond to the concept of regulated profession established in [Directive 2005/36/EC](#) of the European Parliament and of the Council, which require a certain professional qualification.

If the qualification is not regulated in Lithuania, the refugees from Ukraine can apply for employment without formal recognition. The employer will decide whether the education of the applicant meets the requirements for a specific position.

In case the profession is regulated, the refugee can apply following the same application procedures applicable for nationals of the Member States of the European Union, the European Economic Area and the Swiss Confederation or other natural persons, who have been granted employment (self-employment) rights in the Member States of the European Union.

No.	Profession with description	Education	Passing special exams	Registration in professional body
1.	Lawyer. The Ministry of Justice recognizes the professional qualifications of lawyers, who are nationals of the Member States of the European Union, the European Economic Area and the Swiss Confederation or other natural persons, who have been granted employment (self-employment) rights in the Member States of the European Union, when they wish to practice as advocates in Lithuania	a diploma of law or a diploma of professional qualification in law	Once the applicant has submitted all the necessary documents, the Ministry of Justice will organize a professional aptitude test. The professional aptitude test consists of civil and civil procedural law, criminal and criminal procedure law, administrative law, labour law, constitutional law, financial and tax law, human rights law, public international law and European Union law, and the law governing the profession of lawyer. If after recognition of the professional qualification of a lawyer there are reasonable doubts as to the applicant's ability to speak Lithuanian language, the Aptitude Test Commission shall take a decision regarding the examination of the Lithuanian language proficiency.	The recognition of the professional qualifications of a lawyer is provided free of charge and is registered with the Ministry of Justice

No.	Profession with description	Education	Passing special exams	Registration in professional body
2.	Vocational teacher. The Ministry of Education, Science and Sport of the Republic of Lithuania is responsible for recognition of professional qualifications of citizens of Member States of the European Union, the European Economic Area and the Swiss Confederation as well as of third-country nationals enjoying the freedom of movement in Member States conferred to them by the European Union legislation in order for them to find employment as or to temporarily or occasionally provide services of a teacher, vocational teacher, class teacher, special pedagogue, speech therapist, surdpedagogue, typhlopedagogue, social pedagogue or school psychologist, which are regulated professions in the Republic of Lithuania.	In most cases the refugee can continue seek employment without formal recognition of the education or qualifications. However, sometimes formal recognition will be necessary to gain access to specific employment.	Upon request of the employer	No registration with professional bodies is required.
3.	Civil engineer refers to the professional activity of construction engineer	Higher education qualification and/or academic recognition certificate of qualification issued by the Study Quality Evaluation Center in the country of origin	No specific exams to be passed. However, The Construction Engineer's Professional Qualification Evaluation Commission shall evaluate the application and the aforementioned documents and prepare the conclusion, in which it shall propose to the Ministry of	No registration with professional bodies is required.

No.	Profession with description	Education	Passing special exams	Registration in professional body
			Environment to recognize the professional qualification of the Applicant, not recognize the professional qualification of the Applicant by indicating the motives for non-recognition or provide the compensatory means for the Applicant by indicating the reasons for providing it.	

The complete list of regulated professions in Lithuania can be found [here](#).

*Describe special requirements for foreigners/refugees on opening business in **Lithuania***

The foreigner who has been issued a temporary residence permit on the grounds of lawful activities related to the implementation of new technologies or other innovations significant to the economic and social development of Lithuania must establish a company associated with the implementation of these technologies or innovations and commence the activities specified in the company's founding documents no later than 120 days from the date of issuance of the temporary residence permit.

Foreigners who intend to become participants in an already established company but have been issued a temporary residence permit on the same grounds must become participants in the company no later than 60 days from the date of issuance of the temporary residence permit.

Additionally, a foreigner who has been granted a temporary residence permit on the aforementioned grounds must notify the institution authorised by the Minister of Economy and Innovation in writing about the establishment of the company and the commencement of the activities specified in the company's founding documents, or about becoming a participant in the company, no later than 7 days from the date of establishment or becoming a participant. Currently, a 30-day term is stipulated.

The law provides a basis for foreigners who are participants in start-ups to extend their temporary residence permit more than twice.

The law also allows a foreigner, whose temporary residence permit was issued on the grounds of lawful activities related to the implementation of new technologies or other innovations significant to the economic and social development of Lithuania and has been extended twice, to extend it for another 2 years, provided that a document is submitted confirming that the company established by the foreigner, in which he is a participant, has attracted an investment of at least 30,000 euros since its establishment.

V. Information on taxes and tax law

The EU does not have a direct role in collecting taxes or setting tax rates. The amount of tax each citizen pays is decided by their national government, along with how the collected taxes are spent.

The single market allows goods and services to be traded freely across borders within the EU. To make this easier for businesses – and avoid competitive distortions between them – EU countries have agreed to align their rules for taxing goods and services. Certain areas benefit from specific agreements, such as value added tax (VAT) or taxes on energy products and electricity, tobacco and alcohol.

The EU also works with EU countries on the coordination of economic policies and corporate and income taxes. The aim is to make them fair, efficient and growth-friendly. This is important to ensure clarity on the taxes paid by people who move to another EU country, or businesses that invest across borders. This coordination also helps to prevent tax evasion and avoidance.

As a business owner in the EU, you need to be aware of national rules on company tax, including how to register for company tax and how to prepare a company tax return in the countries where you operate. Make sure you know when to file your tax return and which profits you should pay tax on.

Specific EU rules apply when you have your parent company in one EU country and subsidiaries in another. Find out how you can eliminate possible tax issues such as double taxation, or double non-taxation on cross-border profit distributions between these companies.

*Taxation in **Lithuania***

A list of laws forming the Lithuanian taxation system is provided in Article 13 of the Republic of Lithuania Law on Tax Administration. The following taxes and duties are considered to be the main ones: income tax of individuals; corporate income tax; value-added tax; excise duties; real estate tax; land tax; inheritance tax; and lottery and gambling tax.

The subject to **VAT** is the supply of goods and services by a taxable person in the performance of his/its economic activities within the territory of the country that are affected for consideration.

In addition, the subject to VAT is acquisition of goods for consideration within the territory of the country from another Member State.

Moreover, the subject of import VAT is importation of goods where the goods are treated as imported within the territory of the country.

The Standard VAT rate is 21%.

- A reduced 9% VAT rate is applicable for the:
- heat energy supplied for housing heating and for hot water supplied for housing;
- printed books and e-books also printed and electronic non-periodical informational publications;
- passenger transportation services by regular routes as well transportation of passenger luggage;
- accommodation services;
- firewood and wood products;
- for visits to all kinds of artistic and cultural institutions, artistic and cultural events, in the absence of vat exemption.

A reduced 5 % VAT rate is applicable for the:

- technical aids for the disabled persons and repair of these technical aids;
- supply of pharmaceuticals and medical aids to persons who have the right to the total or partial reimbursement of the acquisition expenses of these goods in accordance with the Republic of Lithuania Law on Health Insurance, as well as non-reimbursable prescription drugs;
- printed and electronic newspapers, magazines and other periodical publication.

The Immovable Property Tax shall be paid by natural and legal persons of Lithuania and foreign states.

Object of taxation shall be immovable property located in the Republic of Lithuania, with the exception of:

- the immovable property actually not in use, where construction thereof has not been completed;
- the immovable property created (acquired) on the basis of general government and private entities' partnership, if a general government and private entities' partnership agreement is implemented and this property is used according to the purpose specified in this agreement.

Tax rates

For the share of the total value of structures or premises for residential, garden, garage, farm, greenhouse, farming, auxiliary farming, scientific, religious and recreational purposes owned by natural persons, as well as fisheries and engineering structures exceeding EUR 150 thousand, the following progressive rates shall be applied:

- 0.5 per cent – when taxable value of the property is from EUR 150 thousand to EUR 300 thousand;
- 1 per cent – when taxable value of the property is from EUR 300 thousand to EUR 500 thousand;
- 2 per cent – when taxable value of the property is over EUR 500 thousand.

Income tax shall be paid by an individual who has received income. Individuals shall be divided into residents or non-residents of Lithuania. An individual is deemed to be a resident of Lithuania, if he satisfies the requirements set in the Republic of Lithuania Law on Personal Income Tax, e.g. his permanent place of residence is in Lithuania, his place of personal, social or economic interests is in Lithuania, he/she is present in Lithuania for a certain period of time.

The object of the income tax shall be income of individuals.

The object of the income tax of non-residents of Lithuania shall be:

- income from individual activities carried out through a fixed base;
- income sourced in Lithuania and received otherwise than through a fixed base;
- interest, except for interest on Government non-equity securities;
- income from distributed profits and annual bonuses to the Board and Supervisory Board members;
- income incidental to employment relations or relations in their essence corresponding to employment relations;
- income from sports activities;
- income from performing activities;
- income from rent, sale or other transfer into ownership of immovable property located in Lithuania;

- income from sale or other transfer into ownership of movable property where such type of property is subject to legal registration under legal acts of the Republic of Lithuania;
- royalties;
- compensations for copyright or related rights infringement.

From 1 January 2021 a 20 % income tax rate shall be applied to income incidental to employment relations or relations in their essence corresponding to employment relations, bonuses, income received from the employer under copyright agreement and income of small community leaders, when the annual share of such income is below the amount of 60 average national wages (AW) used to calculate the state social insurance contribution base for 2021 of the insured persons. The annual share of income exceeding the amount of 60 AW shall be subject to a 32 % rate.

Foreign entity, which is a foreign legal person or organisation having its registered office in a foreign state and established or otherwise organised under the legal acts of that foreign state as well as any other taxable entity established, incorporated or otherwise organised abroad, including collective investment undertakings is a subject to **corporate income tax**.

The tax base of a foreign entity shall be:

1. Income from activities carried out by a foreign entity through permanent establishments in the territory of the Republic of Lithuania;
2. Income sourced in the Republic of Lithuania and received otherwise than through permanent establishments in the territory of the Republic of Lithuania:
 - interest, except for interest on government securities, interest accrued and paid on deposits and interest on subordinated loans which meet the criteria laid down by the legal acts of the Bank of Lithuania;
 - income from distributed profits, except for income from distributed profits of collective investment undertakings received by a foreign entity registered or otherwise organised outside the target territory;
 - income from the sale, other transfer into ownership or lease of property immovable by nature located in the territory of the Republic of Lithuania;
 - compensations for violation of copyright or related rights;
 - income from performing activities and sports activities carried out in the Republic of Lithuania;
 - Bonuses to members of the supervisory board.

Tax rates

A 15% tax rate shall be imposed on the taxable profits of Lithuanian entities and permanent establishments of foreign entities.

Taxable profits of entities whose average number of employees on the staff list does not exceed 10 and whose income during a tax period does not exceed EUR 300 000 shall be taxed at a rate of 0 % during the first tax period, and at a rate of 5% during other tax periods, except for the cases specified in the Law on Corporate Income Tax.

VI. What insurance is obligatory to conduct business activity?

When considering business insurance, it's important to think about the covers you might need. Employers' liability cover is a legal requirement for most businesses with staff, public liability insurance is important if you're in contact with members of the public, and professional indemnity insurance is useful if your business offers advice. You need business insurance to protect you against the everyday risks that come with your normal business activities. Insurance can cover you against mistakes, accidents, theft, damage and legal fees, but the exact cover you need depends on the business you run and how you run it.

Online businesses face unique risks and challenges, and you need insurance that will meet your particular needs.

If you have stock that you sell online, you can protect it against theft and damage with stock cover. Similarly, if you'd struggle to work without your specialized tools, then tool insurance will keep those covered against theft and damage. If, on the other hand, you provide an online service rather than physical products, professional indemnity insurance will protect you if a client suffers a financial loss because of your work.

When setting up your business insurance you should think about what you need to be covered right now, as well as what you might need going forward. If you don't have any employees yet then you won't need to worry about employers' liability insurance for now, but if you know you'll be hiring some in the very near future then you might want to consider adding it onto your policy now. If you're not sure about how your business might evolve, don't worry, you can always add more cover at a later date.

What insurance is mandatory for people running a business in Lithuania, e.g. social and health insurance?

The Lithuanian legislation on social security has been harmonised with the European Union (EU) regulations. Foreign employees seconded to Lithuania from a European Economic Area (EEA) country or Switzerland and their employers are not required to pay social security contributions in Lithuania if an A1 certificate is obtained.

The reciprocal social security agreements exist between Lithuania and the following countries: Belarus, Canada, the Czech Republic, Estonia, Latvia, Moldova, the Netherlands, Russia, Ukraine, and the United States (US). The agreements with Belarus, Canada, Moldova, and Ukraine regulate the payment of social security contributions. Consequently, foreign employees seconded from the aforementioned countries to Lithuania who obtain relevant certificates on social security coverage in their home countries are also not required to pay social security contributions in Lithuania.

Employees temporarily seconded to Lithuania from third countries, with which Lithuania has no reciprocal social security agreements, are not required to pay the Lithuanian social security contributions as well, unless their permanent place of employment becomes Lithuania or the secondment exceeds one year.

All citizens and foreigners of the Republic of Lithuania permanently residing in Lithuania (having a place of residence declared in Lithuania), as well as persons who are legally employed and temporarily residing in Lithuania must pay monthly health insurance contributions, and in case of an insured event have the right to receive personal health care services paid for from the budget of the fund. The individuals not covered by the CHI are required to pay for health care services themselves.

For residents who belong to socially sensitive groups, these contributions are paid by the state. A full list of the cases, when a person can be insured by the state can be found [here](#).

CHI contributions have to be paid by every permanent resident in Lithuania (except if the contributions are paid for them by the state). Foreigners who live in Lithuania with a permanent residence permit or a card of the permanent residence permit in the country of a family member of an EU citizen, are subject to pay CHI contributions. If a permanent resident of Lithuania is employed the employer pays the CHI contribution for the employee. Permanent residents who are self-employed should pay the CHI contributions individually.

Foreigners who are not considered permanent residents of Lithuania (those with the Schengen visa, national (D) visa, temporary residence permit or a Temporary Residence card of a family member of a Union citizen) cannot be insured with CHI, except if they are employed, or have worked in Lithuania for 6 months and registered with the Employment Services after that).

VII. Is it possible to temporarily transfer services from one to another country?

Business relocation is a large investment that requires detailed analysis. Most businesses change countries to reduce operating costs or to enter a new market. If you cannot achieve a certain level of profit with a small investment in the country of doing business, then moving is a good idea.

Regardless of which country you choose to move to, many documents need to be drawn up for relocation. Most countries in the world welcome new enterprises. Undoubtedly, certain countries are more friendly to new companies, the procedure for filing documents in these countries is simpler. However, despite this, when moving, you will need to fill out many documents and obtain various permits. You should be prepared that the process of moving will not go as quickly as you would like.

For a comfortable move, it is worth hiring an experienced transport company to transport all the necessary things and archives. An experienced moving consultant will always be able to tell you what moments you might have missed, what to pay attention to and how to act in different situations.

What problems can you face when relocating a business?

Chances are, you won't be able to just move and continue working, relocating is almost like starting a new business, except you already have some resources, experience and a customer base.

What aspects should be paid attention to when moving:

- Choosing a new business name
- Search for premises
- Adaptation to the market => Market research and adaptation
- Legal compliance
- Financial planning
- Customer retention

Relocation is a rather complicated process, but if you conduct a detailed analysis, prepare the necessary documents or seek the help of highly qualified lawyers, the relocation process will be easy and without unnecessary worries.

*Can you temporarily provide services in **Lithuania** if you have citizenship of a non-EU country? Do you need to register your business in a new country? Can you use the so-called providing cross-border services?*

*May an entrepreneur temporarily provide cross-border services in another EU country, e.g. in **Lithuania**?*

An initiative of the Ministry of Economy and Innovation allows you to work in Lithuania remotely and pay your taxes in Ukraine.

With an employment contract

If you work remotely from Lithuania on a work contract in Ukraine, you pay taxes to Ukraine. Ukrainian residents will not be liable to pay income tax in Lithuania on wages received for work in Lithuania from a Ukrainian company or another foreign company not established in Lithuania.

Self-employed

A Ukrainian resident who had been running his freelance services in Ukraine and paying taxes there, but who came to Lithuania due to the war situation in Ukraine and continues his freelancer services in Lithuania following the contracts he had entered into in Ukraine with his clients before he arrived in Lithuania, i.e. he does not enter into any new contracts in Lithuania, continues to pay tax in Ukraine.

VIII. Where to look for support in developing an idea?

If you are looking for sources of financing of your potential business, the below links can help you to figure out possible schemes and types of support: [Access2Finance](#)

An online search tool that supports businesses in finding loans or venture capital supported by the EU in your country: [Access2Markets](#)

The European Commission's free, multilingual and no registration required tool that offers everything businesses need to know on exporting and importing including taxes, tariffs, rules of origin, product requirements, procurement and much more in an accessible and easy to use format. [Enterprise Europe Network](#)

EEN helps SMEs innovate and grow internationally by providing advisory services and bringing innovative ideas to commercial successes, as well as connecting SMEs with international business partners. [European Digital Innovation Hubs Network \(EDIH network\)](#)

European Digital Innovation Hubs (EDIHs) are service providers set up to help local companies and public organisations improve their business using digital technologies. They can provide personalised services in local language such as testing before investing, training and skills development, support to find investments, networking and access to innovation ecosystems. [InvestEU Portal](#)

Brings together investors and project promoters on a single EU-wide platform. [TED \(Tenders Electronic Daily\)](#)

A supplement to the Official Journal of the EU dedicated to public procurement. Provides free access to business opportunities from Europe and beyond: [TED eTendering](#)

An eProcurement platform offering access to calls for tenders published by EU institutions, agencies and other bodies. Rules of Origin Self-Assessment Offers guidance in simple steps to determine the rules of origin for an SME's products.

If a migrant is interested in starting their own business, can he/she get free or paid start-up support from local authorities/chambers of commerce/regional development agencies/incubators/universities?

Who should a migrant contact and what help can he/she get?

“Startuok” Loan Facility – interest rates lower by one-third

The Ministry of Economy and Innovation has prepared amendments to the "Startuok" loan facility, which allows Ukrainian citizens and businesses wishing to set up in Lithuania to receive interest rates lower by one-third for business start-ups or working capital.

The “Startuok” Facility offers a loan of up to €3 million for a term of up to 10 years and a loan of up to €200,000 for working capital for a term of up to 3 years.

The loan is open to small and medium-sized enterprises that:

- have been in business for no more than three years from the date of registration of the company or individual activity;
- are carrying out social-impact projects and have been operating for no more than five years from the date of establishment or the date of registration of individual activity;
- are established in Lithuania as of February 24, 2022 at the earliest, and whose owner (or shareholder, member or joint owner) is a Ukrainian citizen with a Lithuanian residence permit or a Ukrainian legal entity, and has been operating for no more than five years from the date of registration of the company or individual activity;
- operates in Lithuania or another EU Member State;
- meets the minimum criteria of a reliable taxpayer;
- is not a company in bankruptcy, restructurisation or liquidation;
- is not a company that has been experiencing difficulties and has submitted to the Centre of Registers a set of financial statements for the last year.

Loans are administered and provided by "Investicijų ir verslo garantijos, UAB“ (INVEGA).

No.	Institution	Type of support	Criteria to meet to get support	Contacts
1.	Innovation Agency	Business creation and development consulting is provided on the following topics: • moving a business (up to 20 employees) from Ukraine to Lithuania; • opportunities for trading Ukrainian goods in Lithuania; • steps for starting a business;	Any person who aims to start their own business	Ukrainian small and medium-sized businesses and individuals who would like to start a business in Lithuania are invited to contact the Enterprise Lithuania entrepreneurship and export development agency for consultation. Innovation agency Juozo Balčikonio st. 3, LT-08247, Vilnius, Lithuania Customer service: +370 5 206 20 02 konsultacijos@inovacijuagentura.lt

No.	Institution	Type of support	Criteria to meet to get support	Contacts
		• choosing the right business structure; • permits and licences; • taxes; • sources of funding; • recruitment of employees; • regulated professions; • product requirements, etc		https://inovacijuagentura.lt
2.	INVEGA	Financial support to project funding	SMEs that qualify as an SME under the SME Law, and: have been in business for no more than three years from the date of registration of the enterprise or individual activity; or which carry out social impact projects and have been in operation for no more than five years from the date of registration of the company or sole proprietorship; or Which are established in Lithuania not earlier than 24 February 2022, whose participant (shareholder, member, member, shareholder)	UAB „Investicijų ir verslo garantijos“ Konstitucijos pr. 7, 09308 Vilnius Customer service: +370 5 210 7510 uzklauskos@invega.lt https://invega.lt/

No.	Institution	Type of support	Criteria to meet to get support	Contacts
			or owner is a Ukrainian citizen or a legal entity of Ukraine with a residence permit in Lithuania and has been operating for a period of not more than five years.	
3.	Ukreate Hub	Ukreate Hub – a Vilnius based competence center, dedicated to displaced Ukrainians in Lithuania, equipping them with knowledge, skills, network, and other tools to unleash their potential for the future of Ukraine. • Ukreate Hub membership • Ukreate Hub's mini-grant competition • Ukrainian Women Entrepreneurship Programme • Clusters - membership based groups for active Ukrainians • networking events	displaced Ukrainians in Lithuania	Ukreate Hub Didžioji str. 5 LT-01128 Vilnius, Lithuania info@ukreatehub.eu https://ukreatehub.eu/

IX. Tools for supporting entrepreneurship that are available to refugees:

1. Access to financial resources: According to refugee entrepreneurs and UNHCR officials working on the ground, the biggest challenge for new ventures is access to finance and markets. Access to finance is an issue for every entrepreneur. However, it is an even bigger barrier for refugees because of their limited access to banking and credit services and legal obstacles that limit their economic activity. Furthermore, refugee entrepreneur finance schemes that are tailored to their particular needs tend to be very small-scale, and the supply does not match the demand. Large loans are required to solve this issue and provide the necessary entrepreneurial support, even at a very early stage.

2. Skill development and training: Entrepreneurship programs for refugees provide them with valuable skills and knowledge that can empower them in their new communities. These programs offer training in various aspects

of business management, such as marketing, finance, and operations. By acquiring these skills, refugees gain the confidence and ability to start and run their own businesses successfully. This empowerment not only improves their economic prospects but also enhances their overall well-being and integration.

3. Networking and collaboration: One of the biggest trends in the entrepreneurship arena is the increasing interest and focus on social and environmental impact from all types of actors. Social enterprises contribute to solutions to social and environmental problems and prioritize social impact over profit maximization. Combined with Covid's effect on the shared consciousness of global problems and increasing awareness about climate change at the citizen level, impact and social entrepreneurship are becoming more mainstream. Because refugee entrepreneurs are rarely aware of the social enterprise concept, they often miss opportunities to access funding and support in the social entrepreneurship sector. This leaves a lot of room for improvement to better support refugee entrepreneurs to access and discover opportunities for social and environmental ventures.

4. Job creation and economic growth: Refugee entrepreneur programs have the potential to contribute significantly to local economies by creating jobs and fostering economic growth. When refugees start their own businesses, they not only become self-sufficient but also generate employment opportunities for other refugees and members of the host community. This can help alleviate the burden on public resources and reduce dependence on humanitarian aid. In addition to economic benefits, refugee entrepreneurship can also foster social integration and cohesion. By establishing businesses and engaging with the local community, refugee entrepreneurs have the opportunity to form connections and build relationships with their host country's residents. This can help dispel stereotypes and prejudices, promoting understanding and empathy among diverse populations.

5. Market needs in the local country. Marketing Messages: To make sure your message hits home with target markets, tailor it to align with regional values and preferences. By adapting the tone of voice while taking local cultures into account, you will be able to give your campaigns an effective edge that resonates authentically. Product Offerings: To succeed in any market, you must be willing to tailor your product portfolio and experiment with new offerings. This could mean customizing existing products or introducing completely original items- both will position you well for success! Legal Requirements: To stay competitive in today's global marketplace, it is vitally important to ensure your business operations are in line with the changing laws and regulations of different markets. This may necessitate partnering with legal advisors or altering certain processes to conform fully with local standards. More: <https://www.cbi.eu/european-market-trends>

legal and administrative instruments

- War refugees from Ukraine staying in Kaunas will receive additional support from the city. In addition to one-off social benefits, free meals and public transport and other assistance, a 99% discount on business licenses is provided.

infrastructure

- There are several public establishments such as business incubators and science and technology parks that provide access to business infrastructure on favourable terms for businesses. Few to mention: Tech-Park Kaunas (<https://techpark.lt/en>), Sunrise Tech Park in Vilnius (<https://ssmtp.lt/en>), Šiauliai business incubator (<https://svi.lt>).

soft support

- Ukrainian small and medium-sized businesses and individuals who would like to start a business in Lithuania are invited to contact the Enterprise Lithuania entrepreneurship and export development agency for consultation.
- Science and technology parks as well as business incubators provide soft services to help refugee entrepreneurs to establish themselves in different regions in Lithuania.
- Ucreate Hub – a Vilnius based competence center, dedicated to displaced Ukrainians in Lithuania, equipping them with knowledge, skills, network, and other tools to unleash their potential for the future of Ukraine.

financial instruments

- INVEGA is granting loans “Startuok” financed by the European Regional Development Fund, it attempts that the small and medium-sized business (hereinafter – SMB) undertakings operating not more than three years or conducting the social impact projects and operating not more than five years, and SMB undertakings that were established in Lithuania not earlier than on 24 February 2022, the stakeholder of which (shareholder, member, partner) or the owner of which is an Ukrainian citizen holding the Lithuanian residence permit or an Ukrainian legal entity that has been operating not more than five years, and have a reasoned business plan, would receive the necessary funds to finance their projects, when new activities are started or when it is endeavoured at strengthening or expanding the already present activities. In case of an investment financing. Loans up to 3 mio EUR for a term of 10 years. And in case of supplementation of circulating assets loans up to 200 000 EUR for a term of 36 months are provided.
- Ucreate Hub's mini-grant competition. Since 2022, Ucreate Hub has initiated two mini-grant programs, successfully conducting two waves and funding 20 projects to date. Project topics: Creating Ukrainian narratives – bringing Ukrainian voices to the forefront, Women’s role in the recovery of Ukraine – social innovation and entrepreneurship and Preserving and enhancing Ukraine’s democratic orientation.

X. Regional and national smart specializations

Smart Specialisation is an innovation policy concept developed by the European Commission which aims to boost regional innovation, contributing to growth and prosperity by helping and enabling regions to focus on their strengths.

The concept of Smart Specializations aims at indicating areas with a high potential, specializing in selected fields of science and technology, research&development works, and innovative undertakings taking part in the region's economic development, but also impacting its competitiveness on a national and international scale.

Please indicate and shortly describe regional smart specializations of Kaunas region participating in the project as well as other regions and national smart specializations of Lithuania (approximately 3000 characters)

On 17 August 2022, the Government of the Republic of Lithuania approved a new Smart Specialisation Concept for 2021-2027, which aims to strengthen research and innovation capacities, develop new technologies, and increase the country's competitiveness and position in global markets.

To focus resources on areas with the highest growth potential and to assess the existing and potential competitive advantages of the country's economy, the Smart Specialisation Concept identifies 3 RDI priorities:

- New production processes, materials and technologies: photonics and laser technology; advanced materials and structures; flexible technologies for product development, manufacturing and process control, design; energy efficiency, smartness; renewable energy sources.

- Health technologies and biotechnologies: molecular technologies for medicine and biopharmaceuticals.
advanced applied technologies for personal and public health; advanced medical engineering for early diagnosis and treatment; safe food and sustainable agro-biological resources.
- Information and Communication Technologies: artificial intelligence, big and distributed data, heterogeneous analysis, processing and deployment; Internet of Things; cybersecurity; financial technologies and blockchains; audiovisual media technologies and social innovation; smart transport systems.

The Ministry of Economy and Innovation is the solely institution responsible for the implementation of the Smart specialisation strategy.

XI. Social programmes

The successful integration of migrants is key to the future well-being, prosperity and cohesion of European societies. Although Member States are primarily responsible for integration, the EU supports national and local authorities with policy coordination, exchange of knowledge and financial resources.

Social integration and empowerment: Finally, refugee entrepreneur programs play a crucial role in promoting social integration and empowering refugees. By supporting refugees in becoming economically self-reliant, these programs help them overcome social isolation, build self-confidence, and integrate into their new communities.

What social programs exist in Lithuania for refugees and migrants? What support and on what benefits can they receive, e.g. housing, child care, psychologist?

The social initiative **Strong Together** provides support in finding accommodation (temporary home up to 3 months) to the refugees. Up until now (summer 2024) 10119 places to stay were offered through the initiative.

Free SIM cards and lower tariffs

- refugees from Ukraine can get free SIM cards at all refugee coordination centres in Lithuania or at the operators' customer service desks
- operators do not charge or charge lower tariffs (usually at cost) for international calls and SMS to Ukrainian numbers, outgoing/incoming calls, SMS and internet data for customers in Ukraine

Ukrainians can **travel by train** in Lithuania free of charge 3 months after obtaining of a temporary residence permit in Lithuania.

Banks operating in Lithuania are ready to open accounts and provide basic banking services to war refugees from Ukraine free of charge. To open an account in a credit institution, a Ukrainian citizen's passport - biometric or ordinary - will be enough for the purpose of identification. Other required documents may differ bank to bank.

Refugees, after the registration, get **free health services at a medical establishment** of the municipality where they are registered.

Lietuvos draudimas (Lithuanian Insurance) offer a **free health insurance** for Ukrainian minors.

Education and Child Benefits: Ukrainian families with school-age children can access free school meals, school supplies assistance, monthly child benefits, and various other child-related allowances. This support is extended to include special needs children and those from low-income families.

Social Assistance: Refugees are eligible for social benefits if their income is below a specified threshold. This includes compensation for heating, hot water, and drinking water costs. Unemployment benefits are not counted towards income for social assistance eligibility.

Housing Support: Compensation is available for part of the lease for those who meet the income and property criteria. The amount depends on the municipality, house size, and number of family members.

Disability Benefits: Ukrainian refugees with disabilities have their disability status recognized and equated to Lithuanian standards. Benefits are provided based on the severity of the disability, with specific provisions for those under 18 and those eligible for old-age pensions.

Application Process: Refugees can apply for these benefits and assistance through their local municipalities, ensuring they receive the support they need during their stay in Lithuania.

XII. Tools and Solutions That Could Be Useful for Supporting Women Refugee/Immigrant Entrepreneurs

Programs that may be beneficial for supporting entrepreneurial initiatives among women refugees and migrants:

1. *Women Go Tech (Lithuania)*

Description: A mentoring and training program for women who wish to develop a career in technology and business.

Link: [Women Go Tech](#)

2. *Enterprise Lithuania – Business Mentorship*

Description: A national platform supporting entrepreneurs, including consultations, training, and grants for starting a business.

Link: [Enterprise Lithuania](#)

3. *EWA – Empowering Women in Agrifood (EIT Food)*

Description: A program for women in the agri-food sector, providing mentorship, funding, and educational resources.

Link: [EWA – Empowering Women in Agrifood](#)

4. *Erasmus for Young Entrepreneurs (EU)*

Description: An exchange program for aspiring entrepreneurs, including migrant women, to learn from experienced business owners across Europe.

Link: [Erasmus for Young Entrepreneurs](#)

XIII. List of national and European initiatives aimed at supporting women refugees in entrepreneurship and startup development

European Initiatives

1. WEgate – Women's Entrepreneurship Platform (EU)

Description: A European online platform providing resources, networks, and support for women entrepreneurs, including migrants and refugees.

Website: wegate.eu

2. Erasmus for Young Entrepreneurs (EU)

Description: An international exchange program allowing new entrepreneurs to learn from experienced businesspeople in other EU countries.

Website: erasmus-entrepreneurs.eu

3. EIT Jumpstarter (EU)

Description: A support program for innovative startups, including women migrants who want to work in health, energy, and manufacturing sectors.

Website: eitjumpstarter.eu

4. Women TechEU (EU)

Description: A program supporting women-led deep-tech startups, providing grants of €75,000, mentoring, coaching, and business development training.

Requirement: Startups must be registered in an EU country or an associated country of Horizon Europe, including Ukraine.

5. The Human Safety Net for Refugees (Italy, Germany, France)

Description: A refugee support initiative offering business training, microfinancing, and mentoring for women aiming to start a business.

Website: thehumansafetynet.org

6. SINGA Business Lab (France, Germany, Belgium)

Description: An incubator for migrant entrepreneurs, providing access to experts, funding, and market opportunities.

Website: singafrance.com

National and other Initiatives (Lithuania & Other European Countries)

7. Women Go Tech (Lithuania)

Description: A mentorship and training program for women looking to start careers or businesses in the technology sector.

Website: womengotech.com

8. Empowering Women in Agrifood (EWA) – EIT Food

Description: A 6-month free educational and mentoring program for women entrepreneurs in the agrifood sector.

Support: Participants work with personal mentors, attend training, and pitch their business ideas for grants of up to €10,000.

9. UKRSIBBANK "Women in Business" Grant Program (Ukraine)

Description: Provides financial support to female entrepreneurs, with grants of 100,000 UAH for business development.

10. Visa Foundation - Female Startup Pre-Accelerator (Poland, Ukraine)

Description: A pre-acceleration program offering \$10,000 grants, 8-week business training, and mentoring for women entrepreneurs.

11. Mini-Grants for Women Entrepreneurs (Kyiv & Region, Ukraine)

Description: The "Women's Opportunities Fund" launched a 100,000 UAH mini-grant program for women entrepreneurs.

12. Women's Entrepreneurship Empowerment Program (Estonian Refugee Council)

Description: Supports women in restarting and developing their businesses. The last cohort ended in January 2024, but the program runs annually.

XIV. Additional material

- *Video material on Legal aspects of setting up and running a business activity in Lithuania:*
- https://youtu.be/R3cKZKEJ_fk
- *Video material on Navigating financial aspects and developing a financial plan*
- <https://youtu.be/TLCdPwjcsNI>
- *Video material on Preparing applications for the EU financing opportunities*
<https://youtu.be/CO19lnaWeNE>