

**UPDATE May 19:**

Number of confirmed coronavirus cases in Lithuania: 1562\*

Deaths: 60

Recovered: 1025

Number of tests performed yesterday: 6496

A total of samples tested in relation to the suspected coronavirus to date: 237 600

\*The number of confirmed infection cases. Until 28 April, information has been provided on positive laboratory test results rather than on positive cases (people).

**Digitisation and reorientation of industry, attraction of new investment, retraining of the employed in high value-added areas, biotechnology, medical services, deployment of renewable energy sources. These are just a few of the long-term investment proposed by the Ministry of Finance to help the national economy recover after the pandemic and to change it substantially over time.**

According to Minister of Finance Vilius Šapoka, current changes in the global economy, where the aim is to abridge and change business supply chains, expand life sciences and medical industry and accelerate the transition to a digital and climate friendly economy, are a great opportunity for Lithuania.

“We need to use it as quickly and efficiently as possible by stepping up already planned investment and attracting new ones in strategically important areas. The short-term measures imposed at the beginning of the COVID-19 crisis are not sufficient, it is vital to find solutions for our country to move on. To get back and outpace other countries. Therefore, we have prepared and present to the public the Long-Term Investment Plan for Economic Stimulus. It will create conditions for a qualitative transformation of the Lithuanian economy, balanced development, innovative, high value-added business development. We have a chance to change the DNA of the Lithuanian economy," said Minister of Finance V. Šapoka.

The plan of the Ministry of Finance identifies 5 priorities which are proposed to focus on – human capital, digital economy and business, innovation and research, economic infrastructure as well as

climate change and energy. In total, EUR6.3 billion is foreseen for this long-term investment, of which approximately EUR 1.8 billion is new investment and the rest – stepped up already planned investment. The ministries will be responsible for the implementation of investment according to their spheres of competence.

### **Human capital – response of the education system to market needs and development of scientific potential**

This priority proposes innovative methods of education and training of professionals critical to the economy, retraining of the employed and unemployed in areas of high value added. Moreover, more funding is proposed for the science and innovation programme “Horizon Europe” and research in COVID-19 and SMART areas.

This includes such measures as digital tools and IT resources for distance learning; targeted STEM scholarships also for students of educational studies; practical on the job training and in sectoral practical training centre for students of vocational training establishments; development of digital skills for target groups, etc.

### **Digital economy and business – a faster transition towards the digital economy**

Priorities of this investment axis – digitisation and reorientation of industry, introduction of e-business models that will help business to switch to e-commerce and delivery, as well as resumption of export markets and attraction of foreign direct investment, development of digital services and infrastructure.

The foreseen measures are such as automation of robotics processes in the service sector and AI solutions; investment incentives for foreign direct investors; implementation of financial instruments promoting business development; Sandbox development and enlargement; faster opening of the public sector data; preparation for the deployment of 5G and eSIM platforms, etc.

### **Innovation and research – strengthening the innovation ecosystem**

This priority aims to promote business innovation, strengthen competence centres, increase cooperation between science and business, develop innovation infrastructure with a particular focus on life sciences and medical services and industry.

This includes such measures as funding of the production of products and research necessary to counteract COVID-19; acceleration of start-ups; enhancing resilience of the agricultural and food

sector in times of crisis and reorienting food production chains; development of life sciences and biotechnology incubators; equipment for the establishments of research and education in areas of importance to the economy by promoting life sciences, ICT, Industry 4.0 and FinTech; development of the health infrastructure, development of life sciences, advanced clinical trials, innovative treatment methods, digital health innovations and telehealth services, etc.

### **Economic infrastructure – funds for infrastructure are channelled to increase the economic potential of the country**

This investment axis is proposed to focus on improving connections with target countries, development of infrastructure important for attracting investment and improvement of business-relevant infrastructure in the country.

This includes such measures as renewal of flights and development of airports; development of a free economic zone (FEZ); establishment of the up-to-date conference centre (Vilnius Concert and Sports Hall); development of the seaport (including deepening of shipping canals) and inland waterways infrastructure; development of railway infrastructure and Via Baltica dynamic traffic management system, implementation of smart drainage, etc.

### **Climate change and energy — development of a sustainable economic model**

The priorities focus on increased use of renewable energy sources (RES), enhancement of energy efficiency and competitiveness of the energy sector.

This includes such measures as the development of offshore wind infrastructure; installation of RES in households, industrial and public buildings of private and legal persons; modernisation and development of heat supply networks (including remote data scanning), renovation of buildings (multi-apartment and private industrial and commercial buildings); replacement of petroleum gas appliances in multi-apartment buildings by other energy sources; electricity generation by using liquefied natural gas (LNG) evaporation in Klaipėda LNG Terminal, etc.

According to the estimates by the Ministry of Finance, one euro invested according to the plan will bring a return of EUR 1.88 in the long term and generate a nominal GDP of EUR 11.8 billion. Moreover, since the plan as a whole is focused on high value-added jobs, this means that in the long term such jobs will be better paid.

The Ministry of Finance prepared the Long-Term Investment Plan for Economic Stimulus in cooperation with other ministries, the Government Strategic Analysis Centre (STRATA) Invest Lithuania. The plan provides for a balanced economic development by using not solely the potential of Vilnius, but also the regions.

The plan will provide for the results of the measures, implementation periods, allocated funds and responsibilities by ministry. The Ministry of Finance will monitor the implementation of measures, the Government and the public will be constantly informed about their progress.