REPUBLIC OF LITHUANIA
LAW
ON PUBLIC ADMINISTRATION

17 June 1999 No VIII-1234
Vilnius

(As last amended on 11 November 2014 – No XII-1317)

CHAPTER I
GENERAL PROVISIONS

Article 1. Purpose of the Law

This Law shall create the preconditions for the implementation of the provision of the Constitution of the Republic of Lithuania stipulating that all the state institutions serve the people; shall establish the principles of public administration, the spheres of public administration, the system of entities of public administration and the foundations of organising administrative procedures; shall guarantee the right of persons to appeal against the acts or omissions or administrative decisions of entities of public administration as well as the right to statutory and impartial consideration of applications, complaints and statements submitted by persons; shall approve other rights and duties of persons and entities of public administration in the sphere of public administration.

Article 2. Definitions

1. **Public administration** shall mean activities of entities of public administration regulated by laws and other legal acts, which are intended for the implementation of laws and other legal acts: Adoption of administrative decisions, control of the implementation of laws and administrative decisions, provision of administrative services established by laws, administration of the provision of public services and internal administration of an entity of public administration.

2. Administrative regulation shall mean activities of an entity of public administration comprising the adoption of administrative regulations for the implementation of laws and other legal acts.

3. **Internal administration** shall mean an activity aimed at ensuring independent functioning of an entity of public administration (structure arrangement, management of documents, personnel, available material and financial resources) so that it could engage in public administration.

4. **Entity of public administration** shall mean an state institution or agency, a municipal institution or agency, an official, civil servant, a state municipal enterprise, a public establishment whose owner or stakeholder is the State or a municipality, an association authorised in accordance with the procedure laid down by this Law to engage in public administration.

5. **Institution of public administration** shall mean a collegial or one-man entity of public administration authorised in accordance with the procedure laid down by this Law to adopt administrative regulations.

6. **Agency of public administration** shall mean a state or municipal budgetary agency authorised in accordance with the procedure laid down by this Law to engage in public administration.

7. **Official** shall mean a state politician, civil servant or any other person performing the functions of public administration and authorised under laws to give mandatory instructions stipulated in legal acts to persons who are not subordinate to him.

8. **Administrative act** shall mean a legal act of the established form passed by an entity of public administration.

9. **Individual administrative act** shall mean an act of single application of law intended for a specific person or a specified group of persons.

10. **Administrative regulations** shall mean legal acts establishing the rules of conduct and intended for an individual and unspecified group of persons.

11. **Administrative decision** shall mean an administrative act or any other document of the established form adopted in accordance with the established procedure where the will of an entity of public administration is expressed.

12. **Decision on the administrative procedure** shall mean an administrative decision the adoption of which means the completion of the administrative procedure.

13. **Person** shall mean a natural person or a group of natural persons, a legal person or an entity without the rights of a legal person (a commission, general meeting of members, permanent session).

14. **Application** shall mean a person’s application not related to a violation of the person’s rights or legitimate interests to an entity of public administration requesting to adopt an administrative decision or perform other actions stipulated in legal acts.

15. **Complaint** shall mean a person's written application to an entity of public administration where it is indicated that his rights or legitimate interests have been violated and it is requested to defend them.

16. **Notification** shall mean a person's written application to an entity of public administration where it is indicated that the rights or legitimate interests of another person have been violated and it is requested to defend them.

17. **Administrative service** shall mean activities of an entity of public administration comprising the issuing of authorisations, licences or documents confirming particular legal facts, the acceptance and processing of persons' declarations, the provision of consultations to persons on issues regarding the competences of the entity of public administration, the provision to persons of information of the entity of public administration as defined by the law, the performing of administrative procedure.

18. **Public service** shall mean activities of legal persons controlled by the State or municipalities when providing social services for persons, as well as services in the spheres of education, science, culture, sports and other services provided for by laws. Other persons may also provide public services in the cases and in the manner provided for by laws.

19. **Arrangement for the provision of public services** shall mean the provision, within the set time limits and in accordance with the established procedure, of paid or free-of-charge public services prescribed by legal acts.

20. **Administration of the provision of public services** shall mean activities of entities of public administration when laying down the rules and arrangement for the provision of public services, setting up public establishments or issuing authorisations for the provision of public services to other persons as well as supervision and control of the provision of public services.

21. **Institutional assistance** shall mean activities of an entity of public administration when providing information and other assistance to another entity of public administration at the request of this entity.

22. **Economic entity** shall mean a natural or legal person or any other organization, a branch of the legal person or any other organization which carries out economic activity, regulated by legal acts, in the territory of the Republic of Lithuania, where such activity is supervised by entities authorised to conduct public administration in accordance with the procedure laid down by this Law and other laws.

23. **Inspection of activities of an economic entity** (hereinafter referred to as "**inspection of activities**") shall mean actions, regulated by legal acts, which are carried out by entities authorised in accordance with the procedure laid down by this Law and other laws to conduct

public administration where such acts are designated to inspect economic entity's activities (inspection, examination of economic entity's documents, works, seizure of documents, etc.).

24. **Person with respect to whom an administrative procedure is initiated** shall mean a person who has filed a claim or a person with regard to whose rights and legitimate interests possibly violated by the actions, omission or administrative decisions of an entity of public administration a notification is received, and the head of an entity of public administration or an official or a civil servant authorised by him has by a written assignment initiated an administrative procedure with respect to the said claim of the person or notification.

Version as of 1 January 2015:

25. **Minor infringement of requirements of legal acts** shall mean an infringement of requirements of legal acts which caused a very small damage to the values protected by a particular legal norm.

Article 3. Principles of Public Administration

Activities of entities of public administration shall be based on the following principles:

1) the supremacy of law. This principle means that that the powers of entities of public administration to engage in public administration must be stipulated in legal acts, and their activities must comply with the legal principles laid down in this Law. Administrative acts related to the implementation of rights and duties of persons must in all cases be based on laws;

2) objectivity. This principle means that the adoption of an administrative decision and other official actions of an entity of public administration must be unbiased and objective;

3) proportionality. This principle means that the scope and the implementation measures of an administrative decision must conform to the necessary and reasonable goals of administration;

4) absence of abuse of power. This principle means that entities of public administration shall be prohibited from performing the functions of public administration without the powers of public administration granted in accordance with the procedure laid down by this Law or from taking administrative decisions seeking to attain purposes other than those prescribed by laws or other regulations;

5) institutional assistance. This principle means that entities of public administration when drafting administrative decisions shall, where necessary, provide each other with the required information and other assistance;

6) efficiency**.** This principle means that an entity of public administration when adopting and implementing the decisions shall ensure economical use of the resources allocated to him and shall seek the results at minimum costs;

7) subsidiarity. This principle means that the decisions of entities of public administration must be adopted and implemented at the most efficient level of public administration system;

8) “one-desk”. This principle means that a person shall receive information, submit an application, a complaint or a notification and receive an answer to them at one workplace. An entity of public administration who is considering an application, a complaint or a notification and adopting an administrative decision shall consider the application, complaint or notification and shall receive information from its administrative units, subordinate entities and, where necessary, from other entities of public administration, and shall not impose such obligation on a person who has submitted the application, complaint or notification;

9) equality. This principle shall mean that an entity of public administration, when adopting administrative decisions, must take into consideration the fact that all people are equal before the law and no one‘s rights may be restricted or privileges conferred on any ground of someone‘s sex, race, nationality, language, origin, social status, property, education, religion, political opinion, type or character of activity, place of residence, and other circumstances;

10) transparency. This principle shall mean that activities of an entity of public administration must be open, except for the cases laid down by the law;

11) responsibility for the adopted decisions. This principle shall mean that an entity of public administration, when adopting administrative decisions, must take responsibility for the consequences caused by the adopted administrative decisions;

12) novelty and openness to change. This principle shall mean that an entity of public administration must look for new and effective ways to solve problems and constantly learn from good practices.

CHAPTER II
PUBLIC ADMINISTRATION

Article 4. System of Entities of Public Administration

1. The system of entities of public administration shall mean entities of public administration which are related to each other by subordination and coordination relations and have been granted the powers in accordance with the procedure laid down by this Law to engage in public administration.

2. The system of entities of public administration shall consist of entities of state administration and entities of municipal administration.

3. Entities of state administration shall mean state institutions or agencies, their civil servants and officials, state enterprises, public establishments whose owner or stakeholder is the

State, associations whose performance of public administration is authorised, in accordance with the procedure laid down in this Law, by a law, a directly applicable legal act of the European Union, a ratified international agreement of the Republic of Lithuania, a legal act adopted by a state institution empowered by the law, a Government resolution adopted on the basis of a directly applicable legal act of the European Union, of a ratified international agreement of the Republic of Lithuania determining the scope, principles or general rules of provision of the financial support of the European Union or individual states to Lithuania.

4. There are the following entities of state administration:

1) central – entities of state administration whose territory of activity is the whole territory of the State;

2) territorial – entities of state administration whose territory of activity is the established area of the territory of the State.

5. Entities of municipal administration shall mean municipal institutions or agencies, their civil servants and officials, municipal enterprises, public establishments whose owner or stakeholder is the municipality, associations authorised to perform public administration. Municipal institutions shall grant such powers of public administration by the legal act adopted by them.

6. Repealed.

Article 4[1]. Granting of Powers of Public Administration

1. State institutions or agencies, municipal institutions or agencies, their civil servants and officials, state or municipal enterprises whose owner is the State or a municipality, associations may be granted the powers of public administration by the following documents:

1) laws, a directly-applicable legal act of the European Union, a ratified international agreement of the Republic of Lithuania where such a legal act specifies a concrete entity which is functioning or is planned to be set up (where necessary, its name, designation, legal form, liaisons with other entities of public administration, etc.) and defines the concrete powers of public administration for this entity;

2) a legal act adopted by an state or municipal institution authorised by the law where this institution, acting in compliance with the law regulating a general procedure for setting up entities of public administration of a certain field of public life as well as their activities, indicates in the said legal act an entity which is functioning or is planned to be set up (where necessary, its name, designation, legal form, liaisons with other entities of public administration, etc.) and defines the concrete powers of public administration for this entity.

2. Public establishments whose owner or stakeholder is the State or a municipality may be granted the powers of public administration only by laws, a directly-applicable legal act of the European Union, a ratified international agreement of the Republic of Lithuania where such a legal act specifies a concrete public establishment which is functioning or is planned to be set up (it name; where necessary, liaisons with other entities of public administration, etc.) and defines an exhaustive list of the concrete powers of public administration granted to this public establishment, with the exception of the cases provided for in paragraph 3 of this Article.

3. Until 1 January 2016 state institutions and agencies, public establishments whose owner or stakeholder is the State may be granted the powers of public administration by a resolution of the Government adopted in compliance with a directly-applicable legal act of the European Union, a ratified international agreement of the Republic of Lithuania defining the scope, principles or general rules for the provision to Lithuania of financial assistance of the European Union or individual Member States. When the powers of public administration are granted by the above mentioned resolution of the Government, it must indicate a concrete state or municipal institution or agency, public establishment which is functioning or is planned to be set up (it name; where necessary, liaisons with other entities of public administration, etc.) and defines an exhaustive list of the concrete powers of public administration granted to it.

4. State and municipal enterprises may be granted the powers of public administration to exercise control of the implementation of their own administrative decisions and to provide administrative services only in the cases where there are no state or municipal institutions or agencies who may be granted the said powers and where the said powers are directly related with the goals of that state or municipal enterprise

Article 5. Main Spheres of Public Administration

The main spheres of public administration shall be as follows:

1) administrative regulation;

2) control of the implementation of laws and administrative decisions (control of subordinate entities, supervision of non-subordinate entities);

3) provision of administrative services;

4) administration of the provision of public services;

5) internal administration of an entity of public administration.

Article 6. Administrative Regulation

1. Only entities of public administration shall have the right to adopt administrative acts required for the implementation of laws and other legal acts.

2. Only institutions of public administration shall have the right to adopt administrative regulations required for the implementation of laws and other legal acts.

3. Entities of public administration possessing the powers of public administration granted to them in accordance with the procedure laid down by this Law, shall have the right to adopt individual administrative acts.

4. Only laws and legal acts adopted on the basis thereof shall set mandatory requirements for persons.

Article 7. Obligation to Seek Counsel on Adoption of Administrative Decisions

1. Entities of public administration must consult about administrative decisions related to general legitimate public interests with organisations representing public interests in a particular field (associations, trade unions, public organisations and representatives of other NGOs) and in cases provided for by laws - also with residents or the groups thereof.

2. The methods of consultation (meetings of the interested persons, polls, publicly announced meetings, initiation of representatives, and other ways of finding out the opinions) shall be chosen by an entity of public administration at its own discretion, unless the law provides otherwise.

3. Information about a method of consultation, its participants and results must be announced in the webpage of an entity of public administration that has prepared a draft administrative decision.

Article 8. General Requirements for an Individual Administrative Act and a Notification about Adoption of an Individual Administrative Act

1. An individual administrative act must be based on objective data (facts) and the norms of legal acts, and the sanctions applied must be reasoned.

Version as of 1 January 2015:

1. An individual administrative act must be based on objective data (facts) and the norms of legal acts, and the sanctions applied (withdrawal of a licence or authorisation, temporary prohibition to engage in particular activities or to provide services, fine, etc.) must be reasoned.

2. An individual administrative act must contain clearly formulated established or granted rights and duties, and specify the appeal procedure.

3. An individual administrative act must be signed by an official or a civil servant who has adopted it, or by the head of an entity of public administration, his deputy or an authorised person and must be confirmed with the seal. When an individual administrative act is adopted by

using state information systems, its confirmation (authorization) in the state information system shall be regarded as its signing and confirmation with the seal.

4. Each person to whom an individual administrative act is designated or whose rights and duties are directly affected by this individual administrative act shall, not later than within three working days of its adoption, be notified in writing about the adoption of the individual administrative act and receive a copy of the individual administrative act attested in accordance with the procedure laid down by legal acts, unless otherwise provided for by other laws. When an individual administrative act is adopted by using state information systems, the above mentioned person may, instead of a copy of the individual administrative act, receive an extract from the individual administrative act attested in accordance with the procedure laid down by legal acts.

Article 9. Supervision and Control of the Implementation of Administrative Acts

1. The implementation of administrative acts must be supervised or controlled.

2. Supervision and control of the implementation of administrative acts shall be exercised only in compliance with the powers granted in accordance with the procedure laid down by this Law to entities of public administration exercising the supervision and control, pursuant to this Law and other laws regulating the supervision and control as well as legal acts implementing them, requirements of legal acts of the European Union and international agreements of the Republic of Lithuania.

3. If an entity and form of supervision or control are not defined in laws and legal acts implementing them, legal acts of the European Union or international agreements of the Republic of Lithuania, an entity and form of supervision or control shall be defined by an entity of public administration that has passed an administrative act or any other entity of public administration authorised by and accountable to it.

Article 9[1]. Repealed.

Article 10. Quality Management of Public Administration

1. Quality management of public administration shall be implemented at state level and at the level of an entity of public administration.

2. The most important way of quality management of public administration is monitoring of entities of public administration and their activities. The aim shall be to give a timely notice of the changes in public administration, to assess them and provide for measures of prevention of

negative consequences. Monitoring shall be organised by the Government or an institution authorised by it.

3. The ways of quality management of public administration at the level of an entity of public administration shall be the planning and organisation of the activities of entities of public administration and the control of the internal administration.

4. Activities of an entity of public administration shall be planned taking into consideration the National Progress Strategy and other planning documents.

5. Activities of an agency of public administration whose head is a manager of appropriations of the state budget shall be organized in pursuance of the strategic action plan of the areas of management or the strategic action plan approved in accordance with the procedure laid down by legal acts. Activities of an agency of public administration whose head is not a manager of appropriations of the state budget shall be organized in pursuance of the annual action plan approved in accordance with the procedure laid down by legal acts. Activities of an entity of municipal administration shall be organized in pursuance of the strategic planning documents of the municipality which are defined in the Law of the Republic of Lithuania on Local Self-government. The planning documents, referred to in this paragraph, in pursuance of which the activities of an agency of public administration are organised shall be announced on the website of this agency or the agency of public administration to whom it is subordinate.

6. Monitoring of results of the implementation of the planning documents referred to in paragraph 5 of this Article, on the grounds of which activities of an agency of public administration are organised, shall be carried out in accordance with the procedure laid down by legal acts.

Article 11. Internal Administration

1. The purpose of the internal administration shall be to ensure proper performance of functions of public administration by an entity of public administration.

2. The structure of the administration of an agency of public administration shall be established by the head of the agency of public administration in accordance with laws and legal acts adopted on the basis thereof and taking into consideration the set aims and objectives of the agency, the strategic or annual action plans and the approved number of positions for civil servants and employees employed under employment contracts (hereinafter referred to as “employees”), unless otherwise provided for by other laws.

3. Administrative units of an agency of public administration may be a department (board), division (bureau, service), subdivision (group).

4. A department (board) shall be set up if when administering an assigned sphere it is necessary to solve difficult tasks, to perform various functions and this requires coordination of their implementation. At least two divisions (bureaus, services) shall make up a department (board). A department shall be headed by the director (a board – by the superior). The director (superior) may have his deputies. Legal acts (regulations, job descriptions, etc.) regulating activities of a department (board) shall be approved by the head of the agency of public administration.

5. Generally a division (bureau, service) shall be an organisational unit of a department (board). Where there is an insufficient variety of tasks and functions in the sphere assigned for administration or where a law requires so, a division (bureau, service) may not be an organisational unit of a department (board). A division (bureau, service) which is an organisational unit of a department (board) shall consist of at least four positions. A division (bureau, service) which is not an organisational unit of a department (board) shall consist of at least two positions. A division (bureau, service) shall be headed by a head (superior). The head (superior) of a division (bureau, service) may have his deputies. Legal acts (regulations, job descriptions, etc.) regulating activities of a division (bureau, service) shall be approved by the head of the agency of public administration.

6. A division (bureau, service) may consist of subdivisions (groups). A subdivision (group) shall consist of at least three positions. A subdivision (group) shall be headed by a head (superior). Legal acts (regulations, job descriptions, etc.) regulating activities of a subdivision (group) shall be approved by the head of the agency of public administration.

7. In order to implement the tasks and functions which are not assigned to the units of the administration of an entity of public administration a position (positions) which do (does) not belong to a division (bureau, service) or department (board) may be established. The head of the entity of public administration shall approve a list of such positions and assign the functions to be implemented.

8. The provisions of paragraphs 3, 4, 5, 6 and 7 of this Article shall apply to entities of public administration in so far as they are not regulated by statutes or other laws.

Article 12. Basis for Internal Administration

The internal administration of entities of public administration shall be regulated by laws or legal acts adopted on the basis thereof (regulations, statutes, rules of procedure, job descriptions (job instructions) and internal regulations).

Article 13. Internal Administration Control

There can be the following forms of the control of the internal administration in respect of an entity of public administration:

1) the internal control and the internal audit carried out in accordance with the procedure laid down by laws and legal acts adopted on the basis thereof;

2) the external audit that assesses the quality and efficiency of an entity of public administration as well as reliability of the internal control and the internal audit system.

Article 14. Consideration of Applications, Reports and Complaints Filed by Persons

1. Entities of public administration shall consider applications filed by persons in accordance with the rules approved by the Government.

2. When considering applications filed by persons, the provisions of the rules approved by the Government shall apply in so far as the issues concerned are not regulated by laws, directly applicable legal acts of the European Union, ratified international agreements of the Republic of Lithuania or other legal acts adopted on the basis of these legal acts.

3. Complaints and reports filed by persons on acts, omission or administrative decisions of entities of public administration shall be considered in accordance with the procedure laid down in Chapter III. Other complaints and reports filed by persons shall be considered within time limits and in accordance with the procedure laid down by laws and other legal acts regulating the consideration of complaints and reports of a particular type, in so far as this is in compliance with the following general requirements:

1) set out in paragraphs 1, 2, 3, 4, 7 and 8 of Article 23 and Articles 24, 34 of this Law regarding reports and complaints by which acts or omission of an entity if public administration are complained about;

2) if an entity of public administration has no authority to take a decision on the issue referred to in the report or complaint and there is no other entity of public administration to which it could refer the complaint or report for consideration within the scope of competence, it informs the person about this no later than within five working days from the receipt of the complaint;

3) a report or complaint is not considered where the court or the entity of public administration itself has already taken a decision on the same subject and the person fails to provide new factual evidence enabling to challenge the decision, also where the limitation period of filing of a complaint or report has expired. The person shall be informed about the decision not to consider the report or complaint no later than within five working days from the receipt of the report or complaint.

Article 14[1]. Actions when Experiencing Unlawful Influence of Interested Persons

1. An official, civil servant or employee who is assigned the task of drafting an administrative decision shall inform the head of an entity of public administration in which he holds the post, or his authorized representative about the political, economic, psychological, social pressure or any other unlawful influence experienced by him, where such pressure may affect (will affect) impartiality or objectivity of the drafted administrative decision.

2. Having evaluated the type of unlawful influence and being of the opinion that further participation of the official, civil servant or employee, who experiences unlawful influence, in the drafting of the administrative decision may affect (will affect) impartiality or objectivity of the administrative decision, the head of an entity of public administration or his authorized representative may suspend the official, civil servant or employee from the drafting of the administrative decision.

3. Having evaluated the type of unlawful influence and being of the opinion that actions of the interested persons may possibly have traces of criminal activities, the head of an entity of public administration or his authorized representative must inform about this the law-enforcement bodies.

4. In the event where an interested person who exerts unlawful influence is the head of an entity of public administration, in which the official, civil servant or employee who experiences unlawful influence holds the post, or his authorized person, the official, civil servant or employee who is assigned the task of drafting an administrative decision and who experienced unlawful influence may appeal to an institution authorised to investigate notifications, complaints and applications concerning the conformity of activities of persons employed in the civil service with the provisions of the Law of the Republic of Lithuania on the Adjustment of Public and Private Interests in the Civil Service.

Article 15. Provision of Administrative Services

1. Administrative services shall be as follows:

1) issuance of authorisations, licenses;

2) issuance of documents confirming particular legal facts;

3) acceptance and processing of declarations;

4) provision of consultations to persons on the issues of the competence of an entity of public administration;

5) submission to persons of information stipulated in laws and available to an entity of public administration;

6) carrying out of the administrative procedure.

2. Administrative services shall be provided by entities of public administration only. An entity of public administration shall draw up a list of provided administrative services and shall, on the basis of legal acts regulating the provision of such services, prepare informative in nature descriptions of the provisions of administrative services and make them public. Descriptions of the provision of administrative services shall be prepared pursuant to recommendations approved by the Minister of the Interior.

3. Laws and other legal acts adopted on the basis thereof shall set the fees and charges or any other remuneration for administrative services. The fees and charges or any other remuneration shall not be set for administrative services referred to in subparagraph 3, 4 and 6 of paragraph 1 of this Article, as well as for consideration by an entity of public administration of applications submitted by persons requesting administrative services.

Version as of 1 May 2015:

3. Laws and other legal acts adopted on the basis thereof shall set the fees and charges or any other remuneration for administrative services. The fees and charges shall be set on the basis of the Law of the Republic of Lithuania on Fees and Charges and the amount of other remuneration for administrative services shall be set according to the Government-approved criteria by the entities of public administration which lay down the procedure for providing appropriate administrative services, unless otherwise provided for by other laws. Fees and charges or any other remuneration shall not be set for the administrative services referred to in subparagraphs 3, 4 and 6 of paragraph 1 of this Article, as well as for consideration by an entity of public administration of applications submitted by persons requesting administrative services.

Article 16. Requirements for Administration of the Provision of Public Services

1. Entities of public administration shall be responsible for the legitimacy of the provision of services administered by them.

2. An entity of public administration which administers the provision of a certain public service in accordance with the sphere of management established by this Law may not itself provide such service, with the exception of the cases where a structural unit of the municipal administration provides public services under the conditions and in accordance with the procedure laid down by the Law of the Republic of Lithuania on Local Self-government.

Version as of 1 May 2015:

2. An entity of public administration which administers the provision of a particular public service may not itself provide such service, with the exception of the cases where a structural unit of the municipal administration provides public services under the conditions and

in accordance with the procedure laid down by the Law of the Republic of Lithuania on Local Self-government.

3. Only laws can set the fees and charges or any other remuneration for administration of the provision of public services.

Version as of 1 May 2015:

4. Fees and charges or any other remuneration for public services shall be set by laws or legal acts adopted on the basis thereof. Fees and charges shall be set in compliance with the Law of the Republic of Lithuania on Fees and Charges and the amount of other remuneration shall be set according to the Government-approved criteria by an entity of public administration which administers the provision of the said public service, unless otherwise provided for by other laws.

Article 17. Regulation of the Provision of Public Services

1. At the state level, the provision of public services stipulated by laws shall be regulated by central entities of state administration according to the sphere of management assigned to them under laws or regulations.

2. At the territorial level, the provision of public services stipulated by law shall be regulated by entities of municipal administration or territorial entities of state administration according to their powers.

3. Territorial entities of state administration may not duplicate or change the regulation of the provision of public services by central entities of state administration, but they may submit proposals to the latter on the improvement of the procedure for the provision of public services or establishment of a new public service.

4. Unless provided for by laws, central entities of state administration shall not have the right to demand from territorial entities of state administration and the municipalities to set up agencies providing public services.

5. The head of an entity that provides services shall be responsible for keeping to the arrangement of the provision of public services and the quality of the provided public services.

Article 18. Use of Information technologies for Public Administration

When performing the functions assigned to them, entities of public administration shall use information technologies in accordance with the procedure laid down by laws and other legal acts.

CHAPTER III
ADMINISTRATIVE PROCEDURE

Article 19. Administrative Procedure and its Participants

1. The administrative procedure shall comprise mandatory actions performed pursuant to this Law by an entity of public administration while considering a person's complaint or notification about a violation, allegedly committed by acts, omissions or administrative decisions of the entity of public administration, of the rights and legitimate interests of the person referred to in the complaint or notification and adopting a decision on administrative procedure.

2. There shall be the following participants in the administrative procedure: a person who has submitted a complaint, or a person with respect to whose allegedly violated rights and legitimate interests through the actions, omissions or administrative decisions of an entity of public administration a notification has been received and the entity of public administration which has initiated the administrative procedure on the grounds of the received complaint or notification.

Article 20. Rights and Duties of a Person with Respect to whom an Administrative Procedure is Initiated

1. A person with respect to whom an administrative procedure is initiated shall have the right to:

1) get access to the documents received during the administrative procedure and other information;

2) submit additional information and provide explanations;

3) call for removal of an official, civil servant or employee that carries out the administrative procedure;

4) have an interpreter;

5) participate when checking the factual data on site;

6) express his opinion on issues arising during the administrative procedure;

7) request an entity of public administration which has initiated the administrative procedure to terminate it;

8) receive a decision on the administrative procedure;

9) appeal against the adopted decision on the administrative procedure in accordance with the procedure laid down by the law, if the decision does not comply with the requirements laid down by laws and other legal acts, or to appeal against the actions of an official, civil servant or employee, if they have elements of the abuse of office or bureaucracy (the way they are defined in the Law on the Seimas Ombudsmen);

10) have a representative.

2. A person with respect to whom an administrative procedure is initiated must exercise in good faith the rights granted to him and must not abuse them. If it transpires that a person with respect to whom the administrative procedure is initiated has abused the rights granted to him or has not acted in good faith, the administrative procedure may be terminated by a decision of the head of an entity of public administration and the person with respect to whom the administrative procedure is initiated shall be notified thereof within three working days from terminating the administrative procedure.

Article 21. Grounds for Initiating the Administrative Procedure

1. There shall be the following grounds for initiating the administrative procedure:

1) a complaint filed by a person;

2) a notification given by a state politician, official or civil servant;

3) a notification given by any other person.

2. The grounds for initiating the administrative procedure specified in paragraph 1 of this Article shall be further referred to as a complaint.

Article 22. Commencement of the Administrative Procedure

1. The administrative procedure shall be initiated by the head of an entity of public administration or an official or civil servant authorised by him, by a written assignment (order, ordinance or resolution) within 3 working days from the receipt of the documents referred to in Article 21.

2. The information required for initiation of the administrative procedure, which is available to an entity of public administration, or contained in the State Registers or in any other state or municipal information systems, shall be collected by the entity of public administration that has received the complaint.

Article 23. Acceptance and Consideration of a Complaint

1. Every entity of public administration must accept complaints and consider them according to their powers. The fact of acceptance of a complaint shall be acknowledged by a certain document indicating the date of its acceptance, the name, surname and telephone number of a civil servant or an employee who has accepted the complaint and the complaint registration number. The document confirming the fact of acceptance of the complaint shall be delivered to the person or sent to him by post or e-mail. The Government shall set the form of the document that confirms the fact of acceptance of the complaint.

2. Complaints submitted by e-mail have to be signed with a digital signature. Replies to these complaints shall be sent to a person by e-mail and, at the request of the person – by post, to the address indicated in the complaint, or delivered personally. The reply that is sent by e-mail shall be signed with a secure digital signature by the head of an entity of public administration or an official or civil servant authorised by him.

3. Complaints not specifying the name and surname of a person or the name of a legal entity, the address or not signed by the person, may remain unconsidered by decision of the head of an entity of public administration or an official or civil servant authorised by him. The person shall, not later than within five working days from the receipt of the complaint, be informed about the decision not to consider the complaint, with the exception of the cases where none of the person's contact information is indicated in the complaint.

4. If an entity of public administration does not have the powers to adopt a decision on administrative procedure concerning the issue referred to in the complaint, it shall, within 5 working days, transfer the complaint to an entity of public administration that has the required powers and shall inform the person about it. If it transpires after the initiation of the administrative procedure that the court has started to consider the complaint on the same issue, the administrative procedure shall be suspended until the court investigates the complaint and shall inform the person about it.

5. It shall be prohibited to transfer the complaint for consideration to an entity of public administration, its administration or an official or civil servant whose actions are appealed against.

6. The complaint shall not be considered if the court has already taken a decision or the same entity of public administration itself has already taken a decision on the administrative procedure and a person does not provide any new factual data that would enable to appeal against the decision on the administrative procedure taken by the entity of public administration, and also in the case where more than six months have passed from the coming to light of the violations indicated in the complaint to the submission of that complaint. The person shall be informed, within 5 working days from the receipt of the complaint, about the decision not to consider the complaint.

7. If the complaint is addressed to several entities of public administration and the issue is within the competence of several entities of public administration, the entity of public administration that is first mentioned in the complaint shall initiate the administrative procedure and organise the consideration of the complaint. Other entities of public administration that participate in the administrative procedure, must submit, within 10 working days from the receipt

of the complaint, within their competence, their proposals concerning the handling of the complaint to the entity of public administration that has initiated the administrative procedure.

8. In the case of the annual leave, a business trip, seminars and other cases of absence from work of officials, civil servants or employees participating in the administrative procedure, the head of an entity of public administration shall delegate the task of participating in the administrative procedure to other officials, civil servants or employees that have equivalent powers.

Article 24. Hours for Acceptance of Applications and Complaints

1. An entity of public administration must organise its work in such a way that persons wishing or obliged to file an application or a complaint could do so at all office hours.

2. An entity of public administration must set at least two additional hours per week for the acceptance of applications and complaints before or after the working hours of the entity of public administration.

Article 25. Withdrawal of an Official, Civil Servant or Employee

1. An official, civil servant or employee shall withdraw himself or must be withdrawn from participation in the administrative procedure if:

1) an official, civil servant or employee is a close relative (as defined in the Civil Code), brother in law or cohabitant, who has registered partnership in accordance with the procedure laid down by the law, of a person in respect of whom the administrative procedure has been initiated;

2) an official, civil servant or employee and a person in respect of whom the administrative procedure has been initiated are related by subordination relations;

3) the impartiality of an official, civil servant or employee raises reasonable doubts because of some other circumstances which may result in a conflict of private and public interests.

2. A decision concerning the withdrawal of an official, civil servant or employee from taking part in the administrative procedure shall be adopted by the head of an entity of public administration. A decision concerning the withdrawal of the head of a public administration from taking part in the administrative procedure shall be adopted by him, the head of the public administration who has appointed him to this position, or the head of a collegial entity of public administration.

Article 26. Obtaining of Information Required for Adopting a Decision

1. Demand for documents and information required for adopting a decision concerning the administrative procedure from persons in respect of whom the administrative procedure has been initiated has to be lawful and substantiated.

2. An entity of public administration may demand only for such documents and information that is not available in the state registers and other state or municipal information systems except for the cases when such documents and information must be provided under laws.

3. The deadline must be set for the provision of the documents and information. It shall be allowed to make a repeated demand for documents and information from the persons in respect of whom the administrative procedure has been initiated only in exceptional cases and properly substantiating the necessity for such documents and information.

Article 27. Suspension of the Administrative Procedure

1. If the decision on the administrative procedure can change the legal status of the persons who are not taking part in the administrative procedure, the administrative procedure shall be suspended notifying the said persons of their right to participate in the procedure and notifying the person in respect of whom the administrative procedure has been initiated about the grounds for suspending the administrative procedure.

2. The administrative procedure shall be resumed when the persons referred to in paragraph 1 of this Article express their intention to participate in the procedure or refuse in writing to participate in it, or if no response concerning the proposal to participate in the administrative procedure is received within 10 working days from sending the letter about the suspension of the administrative procedure.

Article 28. Questioning

1. Before taking the decision on administrative procedure, a person in respect of whom the administrative procedure has been initiated, as well as other persons, may be questioned seeking to disclose the essence of the issue under consideration and the related circumstances, except for the cases specified in paragraph 2 of this Article when such questioning is mandatory.

2. The decision on administrative decision shall be taken only after questioning a person with respect to whose allegedly violated rights and legitimate interests a notification has been received and the administrative procedure has been initiated on the grounds of this notification. If this person refuses to attend the questioning, or if there are any other objective reasons why it is not possible to question the person during the period of time set for the administrative procedure, the administrative procedure shall be terminated.

3. The decision on the administrative procedure shall be adopted without questioning in the following cases:

1) when the complaint is satisfied immediately and the decision on the administrative procedure does not violate the rights and legitimate interests of other persons;

2) when, under the requirements of legal acts, the decision on the administrative procedure has to be taken immediately.

Article 29. The Rights of Natural Persons of Diminished Capacity

1. A natural person of diminished capacity shall be entitled to be heard at his own or his guardian's request. The guardian must also be heard in order to protect the interests of the natural person of diminished capacity.

2. A natural person of diminished capacity can be heard on issues related to the income or property that are at his disposal.

Article 30. Verification of the Factual Data

1. Where necessary, an entity of public administration participating in the administrative procedure may carry out an on-site verification of the factual data. A person in respect of whom the administrative procedure has been initiated and the interested persons must be notified of the time of the verification so that they could, if they wished, participate in the on-site verification of the factual data. If, in the course of the verification, information which, under laws, can not be public may become public, the person in respect of whom the administrative procedure has been initiated and the interested persons shall be able to access only the results of the on-site verification of the factual data.

2. Verbal explanations and the factual data established during the on-site verification must be recorded in the verification report (conclusion) and signed by the persons carrying out the verification. Written explanations shall be attached to the verification report (conclusion).

Article 31. Time Limits for the Administrative Procedure

The administrative procedure shall be completed and the decision on the administrative procedure shall be adopted within 20 working days from the beginning of the procedure. Where, due to objective reasons, the administrative procedure cannot be completed within the set time limit, the entity of public administration that has initiated the administrative procedure may extend it for a period not longer than 10 working days. A person shall be notified about the extension of the time limit for the administrative procedure in writing or by e-mail (where the complaint has been received by e-mail) and the reasons for the extension.

Article 32. Language of the Administrative Procedure

1. Administrative procedures shall be conducted in the official language - the Lithuanian language.

2. When a person in whose respect the administrative procedure has been initiated or other interested persons do not speak or understand Lithuanian or are unable to make themselves understood because of a sensory or speech disorder, an interpreter must be present at the administrative procedure.

3. An entity of public administration that has initiated the administrative procedure or a person in whose respect the administrative procedure has been initiated shall invite an interpreter at his own initiative.

Article 33. Recommendation to Adopt a Decision on the Administrative Procedure

Upon completing the administrative procedure, an official, civil servant or employee shall draw up a recommendation to adopt a decision on the administrative procedure and submit it to the head of an entity of public administration. Factual circumstances established during the consideration of the complaint, legal acts on the basis of which the draft decision on the administrative procedure has been prepared, the proposed draft decision on the administrative procedure and the date of preparing the recommendations shall be specified in the recommendation to adopt the decision on the administrative procedure.

Article 34. Adoption of a Decision on the Administrative Procedure

1. The administrative procedure shall be concluded by adopting a decision on the administrative procedure. A person in whose respect the administrative procedure has been initiated shall, within 3 working days, be notified about the adopted decision on the administrative procedure, the factual circumstances determined during the consideration of the complaint, the legal acts on the basis of which the decision on the administrative procedure has been adopted, as well as the procedure for appealing against the decision.

2. The decision on the administrative procedure shall be prepared in three copies; one copy shall be delivered or sent to the person with respect to whom the administrative procedure is initiated, one copy shall be delivered or sent to the entity of public administration whose actions have been appealed against, and one copy shall remain with the entity of public administration who carried out the administrative procedure and shall be kept in accordance with the procedure laid down by the law.

Article 35. Error Correction Procedure

1. Upon receiving a reasoned notification from the person in whose respect the administrative procedure has been initiated or from any other interested person about calculation or printing errors, any discrepancies of the factual data or any other technical errors, an entity of public administration which has adopted the decision on the administrative procedure shall undertake the measures required for the correction of errors.

2. If an error may have a significant influence on the execution of the decision, an entity of public administration which has adopted the decision on the administrative procedure shall suspend the execution of the decision until the correction of errors.

3. Errors have to be corrected in the copy of the decision on the administrative procedure whish is kept by the entity of public administration which had adopted the decision on the administrative procedure. The person shall, within 3 working days, receive a new or corrected document (the decision on the administrative decision).

Article 36. Appeal against a Decision on the Administrative Procedure

A person shall have the right to appeal against a decision on the administrative procedure adopted by an entity of public administration at his own choice either to the Administrative Disputes Commission or to the administrative court in accordance with the procedure laid down by the law.

CHAPTER IV
SUPERVISION OF ACTIVITIES OF ECONOMIC ENTITIES

Article 36[1]. Supervision of Activities of Economic Entities

1. The supervision of activities of economic entities – activities of entities of public administration authorized in accordance with the procedure laid down by this Law to carry out the actions specified in paragraph 2 of this Article (hereinafter referred to as “supervising entities”) intended to provide a methodological assistance to economic entities, to supervise how economic entities comply with the requirements laid down in laws and other legal acts, to control whether they fulfil these requirements adequately, as well as intended to implement other measures ensuring the adequate compliance with legal acts and decreasing a number of possible violations.

Version as of 1 January 2015:

1. The supervision of activities of economic entities – activities of entities of public administration authorized in accordance with the procedure laid down by this Law to carry out

the actions specified in paragraph 2 of this Article (hereinafter: ‘supervising entities’) intended to provide methodological assistance to economic entities, to supervise how economic entities comply with the requirements laid down in laws and other legal acts, to control whether they fulfil these requirements adequately, as well as intended to implement other measures ensuring the adequate compliance with legal acts and preventing the damage to the values protected by legal norms.

2. Supervision of activities of economic entities shall comprise the following:

1) provision of consultations on the issues of the competence of a supervising entity as well as carrying-out of preventive actions intended to preclude possible violations of legal acts;

2) inspections of activities of economic entities;

3) evaluation of information received in accordance with the procedure laid down by legal acts about activities of economic entities;

4) application of sanctions in respect of economic entities in accordance with the procedure laid down by laws and other legal acts adopted on the basis thereof.

Article 36^{2}. Principles of Supervision of Activities of Economic Entities

1. The supervision of activities of economic entities shall be conducted pursuant to the following principles:

1) a burden of minimum and proportional supervision. This principle shall mean that supervision-related actions of supervising entities must be proportional and adequate in order to achieve a pursued goal, proportionate to the size and administrative capacity of economic entities and carried out seeking to make the smallest possible hindrance to activities of economic entities; sanctions shall apply to economic entities only when supervision goals may not be achieved in any other way (*ultima ratio*); sanctions shall be proportional to the type of violation and the damage caused by it;

2) non-discrimination. This principle shall mean that supervising entities cannot conduct the supervision of activities of economic entities which would discriminate economic entities on grounds of their form of ownership, citizenship, place of residence or the state in which an economic entity has been established, or on grounds of other objective characteristics of these entities, provided that other conditions influencing the degree of risk of activities of the economic entity are essentially the same;

3) planning. This principle shall mean that the supervision of activities of economic entities must be planned. The requirement for planning shall apply to the types of activities referred to in subparagraphs 1, 2 and 3 of paragraph 2 of Article 36^{1}. Activities referred to in

subparagraph 4 of paragraph 2 of Article 36^1 as well as indices of such activities (a number, extent, value of sanctions) cannot be the subject of planning;

4) publicity. This principle shall mean that information about the principles, procedures and results of execution of the supervision of activities of economic entities, disclosed in a summarized form, shall be available to the public. This principle shall not apply if the disclosure of information hinders the achievement of goals of the supervision of activities of economic entities specified in paragraph 1 of Article 36^1 of this Law or other requirements of confidentiality set in other legal acts may be violated;

5) provision of methodological assistance. This principle shall mean that supervising entities cooperate with economic entities, provide consultations to economic entities on the issues of the competence of a supervising entity, implement other preventive measures which help economic entities to meet the requirements of legal acts. This principle shall not apply during inspections of activities of economic entities, if its application hinders the achievement of the goals of supervision of activities of economic entities related to the supervision of compliance with the requirements of legal acts as well as hinders the compliance with the requirements set for appropriate supervision and embedded in special laws regulating the supervision and legal acts implementing them, legal acts of the European Union or international agreements of the Republic of Lithuania;

6) functional separation. This principle shall mean that the actions referred to in subparagraphs 2 and 4 of paragraph 2 of Article 36^1 of this Law are carried out by different officials of a supervising entity or units of a supervising entity, or that the abovementioned functions are assigned to different entities of public administration. This principle shall not apply if other laws and legal acts regulating the supervision assign the functions of inspection and application of sanctions to a single official (unit);

7) risk assessment. This principle shall mean that actions of supervising entities are primarily aimed at eliminating the cases of greatest risk, relating the risk to the possibility of occurrence of damage to the values protected under law and the amount and extent of damage.

2. Other laws, legal acts of the European Union and international agreements of the Republic of Lithuania may define other principles of the supervision of activities of economic entities.

Article 36^3. Providing Consultations to Economic Entities

1. Providing of consultations to economic entities shall be a concurrent of the supervision of activities of economic entities.

2. If an economic entity acts in compliance with the written or publicly announced consultation approved by the head of a supervising entity, a person authorized by him or a collegial institution of the supervising entity, where, by later consultation, consultation of a superior entity of public administration or any other individual administrative act or a court decision, the initial consultation is recognized as not complying with the requirements of legal acts (inaccurate), sanctions shall not be imposed on the economic entity for the improper fulfilment of the legal acts, determined by the inaccurate consultation.

3. The stipulation concerning the consequences of an inaccurate consultation set out in paragraph 2 of this Article shall not be applied if at least one of the following conditions exists:

1) after the provision of the consultation the legal regulation, which was the subject matter of the consultation, has been altered;

2) an economic entity has been informed that the consultation is inaccurate or it has had the concrete possibility to obtain the information that the consultation is inaccurate and the time period from the receipt of such information until the inspection of activities of the economic entity has been sufficient for the economic entity to correct the violations which were determined by the inaccurate consultation;

3) if the sanctions are necessary and unavoidable in order to prevent the occurrence of damage to the public or interests of other persons or the environment;

4) if the compliance with the inaccurate consultation is defined in other laws as a mitigating circumstance when imposing and/or applying sanctions.

Article 36[4]. Inspections of Activities of Economic Entities

1. Inspections of activities of economic entities may be routine and non-routine. The primary purpose of routine inspections shall be the evaluation of information about an economic entity and provision of methodological assistance to the economic entity.

2. The head of an entity conducting inspections, a person authorised by him or a collegial institution of a supervising entity shall approve:

1) the criteria of drawing up lists of economic entities planned to be inspected, rules embedding the procedure and duration of conducting of routine inspections (hereinafter referred to as "rules of routine inspections”), as well as a list of economic entities which are planned to be inspected at a set time (hereinafter referred to as a "plan of inspections”);

2) the grounds, procedure and duration of non-routine inspections, rules embedding the criteria of selection of economic entities which are being inspected (Hereinafter referred to as “rules of non-routine inspections”).

3. Supervising entities shall organize their activities in such a way that a plan of inspections would be implemented. The change in the plan of inspections shall be possible only in the case of the reasoned decision of the head of a supervising entity or a person authorised by him or a collegial institution of a supervising entity possessing the adequate powers.

4. Rules of routine inspections and rules of non-routine inspections must be drawn up in compliance with the principles of a burden of minimum and proportional supervision and non-discrimination as prescribed in Article 36^2 of this Law and must conform to them.

5. The periodicity of conducting of routine inspections must be reasoned.

6. The approved plan of inspections and its amendments shall be announced in the webpage of the supervising entity or the economic entities included in the plan shall be informed individually personally not later than within three working days after the approval of the plan of inspections or its amendment. Before commencing a routine inspection of activities of an economic entity, the supervising entity must, with not less than 10 days remaining, inform the economic entity in writing or by electronic means about a planned inspection, specify the grounds, time limit and subject-matter of an inspection to be conducted, and submit a preliminary list of documents which the economic entity must furnish to the supervising entity.

7. During the first year following the beginning of activities of an economic entity in respect of which an inspection is conducted, sanctions related to the limitation of activities of the economic entity (suspension or revocation of operation licences, permits) cannot be imposed to the said entity for the violations determined during the first routine inspection. Upon the establishment of the fact of non-compliance with, improper application of the requirements of legal acts, a reasonable time (generally at least one month) shall be set for the economic entity to correct the violations.

8. The stipulation set out in paragraph 7 of this Article concerning the non-application of sanctions and setting of a reasonable time to correct violations shall not be applied if the sanctions are necessary and unavoidable in order to prevent the occurrence of the damage to the public or interests of other persons or the environment.

9. After having issued a licence or permit to an economic entity, the supervising entity issuing licences or permits shall not conduct routine inspections of this entity for six months, with the exception of the cases when the licence or permit has been issued to the entity without an inspection. This provision shall not apply if frequent routine inspections, justified by a potential risk of violations, are necessary to achieve the goals of activities of the supervising entity.

10. Not more than two routine inspections of activities of an economic entity may be conducted at the same time. Supervising entities whose subject-matter and form of the

supervision are interrelated may conduct a joint routine inspection of two or more supervising entities if this reduces the burden of the supervision for an economic entity.

11. The non-routine inspection of activities of economic entities shall be conducted on the initiative of a supervising entity, when the head of the supervising entity or a person authorised by him or a collegial institution of the supervising entity which possesses the adequate powers takes a reasoned decision to conduct this inspection. The non-routine inspection must be in compliance with the rules of non-routine inspections and must be conducted on the grounds specified in paragraph 12 of this Article. When commencing the non-routine inspection of activities of an economic entity, a supervising entity shall present to the economic entity which is being inspected a copy of the decision to conduct the non-routine inspection, approved in accordance with the procedure laid down by the law.

12. The non-routine inspection of activities of an economic entity may be carried out:

1) upon the receipt of a written reasoned request or instruction of any other competent entity of public administration to conduct an inspection of activities of an economic entity, or a request of a competent institution of any other state;

2) in the case of the availability of information or in the event of occurrence of the grounded suspicions about activities of an economic entity which may conflict with legal acts or may not meet the requirements of legal acts;

3) when seeking to ensure the elimination of the violations of legal acts which were identified during the previous inspection of activities of an economic entity and when seeking to ensure the implementation of the adopted decisions;

4) if the grounds for conducting a non-routine inspection are laid down by laws or a legal act adopted by the Government.

13. A non-routine inspection of activities of an economic entity shall be conducted after the received anonymous complaint concerning the actions or omission of a concrete economic entity only in the case of a reasoned decision concerning the examination of the concrete anonymous complaint, where such a decision has been adopted by the head of a supervising entity or a person authorised by him or a collegial institution of the supervising entity possessing the adequate powers.

14. Information about a conducted inspection shall not be furnished to the mass media, other persons who are not related to the inspection until the inspection is completed, with the exception of the cases where a supervising entity may furnish information about a fact of the conducted inspection, where this is done on the initiative not of a supervising entity.

15. An economic entity may, in accordance with the procedure laid down by this Law or other laws, appeal against a decision taken by a supervising entity to conduct a non-routine

inspection. Appealing against a decision to conduct a non-routine inspection shall not halt the conducting of the inspection.

16. This Article shall not apply to a tax administrator, the customs office and entities conducting the supervision of the financial market as well as the monitoring of competition. The provisions of this Article shall be recommendatory for the entities referred to in this paragraph.

Article 36[5]. Information System of the Supervision of Activities of Economic Entities

1. An interactive list of supervising entities shall be announced in the website of the Ministry of Economy of the Republic of Lithuania. Any other information topical for economic entities, related to the supervision of activities of economic entities may also be announced in the said website.

2. A supervising entity shall announce in its website the following:

1) a list of national, European Union and other international legal acts establishing an appropriate supervision of activities of economic entities and the application of sanctions, laying down the powers of the supervising entity;

2) information about the core requirements of the supervision of activities of economic entities of an appropriate field;

3) the procedure for appealing against the decisions taken by the supervising entity;

4) consultations of the supervising entity, information about providing of consultations and rendering of other methodological assistance;

5) the rules referred to subparagraphs of 1 and 2 of paragraph 2 of Article 36[4] of this Law, an approved plan of inspections and amendments thereto, the information specified in subparagraphs 1, 2, 3 and 4 of paragraph 2 of Article 36[7].

Article 36[6]. Providing of Information to Supervising Entities

1. Economic entities shall submit documents to supervising entities which must be prepared in compliance with the requirements of legal acts as well as any other information in the form possessed by an economic entity. A supervising entity may not request that an economic entity submit data or documents in a concrete requested form, if the preparation of these data or documents is not provided for in legal acts, this would require the creation of documents or information media and therefore would involve disproportionally high labour costs and a great deal of time.

2. An economic entity shall enjoy the right not to submit documents to a supervising entity the documents, if it has already submitted the same documents to at least one supervising

entity. When refusing to submit documents, the economic entity must indicate in writing the supervising entity to which it submitted the said documents.

3. Supervising entities shall, in accordance with the procedure laid down by the Government or an institution authorised by it, exchange among themselves the documents and information, submitted to them by economic entities, necessary for the fulfilment of the powers granted to them.

Article 36[7]. Evaluation of Activities of Supervising Entities and their Responsibility

1. The number of imposed sanctions, the size of sanctions or other indices related to the imposition of sanctions on economic entities cannot be the criteria of the evaluation of the effectiveness and efficiency of activities of supervising entities and officials, other civil servants and employees of these entities.

2. Upon the end of a calendar year, supervising entities shall, in accordance with the procedure laid down by legal acts or superior entities of public administration, prepare and submit to the superior entities of public administration annual reports on activities which comprise information about the following:

1) consulting activities, accentuating the topical issues for economic entities during the reporting period, the provisions of legal acts which required explicit clarification;

2) the number, type and duration of conducted inspections;

3) the scope, cause of the failure to comply with the requirements laid down by laws and other legal acts for economic entities as well as improper fulfilment of the said requirements, the imposed preventive measures and sanctions, most-often violated provisions of legal acts;

4) legal acts proposed to be amended or adopted, emphasizing the measures through which the loopholes in the legal regulation are eliminated, the supervision of activities of economic entities is organized more effectively, the burden of supervision is reduced for economic entities.

3. Before the end of a reporting period, economic entities shall furnish to a superior entity of public administration the information related to the supervision of economic entities in the case of doubts regarding the validity of the requirements of legal acts.

4. Economic entities shall have the right to appeal in accordance with the procedure laid down by this Law and other laws to superior entities of public administration, the Special Investigation Service, other institutions regarding the actions of supervising entities which are of corruption type or other actions which are not in compliance with the requirements of legal acts. Entities of public administration shall investigate complaints in accordance with the procedure laid down by this law.

Article 36[8]. Application of Sanctions to Economic Entities

1. Sanctions shall be imposed on an economic entity taking into consideration the nature of infringement, the level and extent of the damage inflicted and other circumstances provided for in laws.

2. An economic entity must be notified of a possible infringement of the legal acts regulating activities of the economic entity. The essence of the possible infringement must be drawn up in a clear and unequivocal manner, the article, paragraph and/or point of the possibly infringed law or any other legal act must be identified and the evidence grounding this must be specified.

3. During the possible infringement proceedings an economic entity shall have the right to familiarise itself with the collected material, to submit proof, to provide explanations orally or in writing, to file requests. The economic entity must be given sufficient time to submit proof and provide explanations.

4. The decision taken in the proceedings pertaining to the infringement of the legal acts regulating the economic entity's activities shall be based only on the evidence which was investigated during the proceedings and with which the economic entity had the possibility to familiarise itself. Reasons with regard to all the aspects which are significant for the proceedings and which the economic entity has mentioned in its explanation or during the oral hearing must be presented.

5. The decision taken in the proceedings pertaining to the infringement of the legal acts regulating the economic entity's activities may be appealed against in accordance with the procedure laid down by the Law of the Republic of Lithuania on Administrative Proceedings.

6. The court, which considers the complaint, taking into consideration the nature and level of the infringement, mitigating and other significant circumstances because of which a specific sanction would be in respect of the economic entity manifestly disproportionate and excessive (inappropriate) to the infringement of the law and, therefore, unfair, shall have right to impose, in compliance with the principles of fairness and reasonableness, a lighter sanction than the one provided for in the law, or not to impose a sanction at all.

7. The paragraphs 1, 2, 3, 4 and 5 of this Article shall not apply to the tax administrator, the customs office, the entities exercising supervision of the financial market and monitoring of competition. The provisions of paragraphs 1, 2, 3, 4 and 5 of this Article shall be of recommendatory nature for the entities specified in this paragraph.

Article 36[9]. Insignificant Infringement of Requirements of Legal Acts

1. Upon establishment of a fact of non-compliance with requirements of legal acts or improper compliance with them, where such a fact is considered as insignificant infringement of requirements of legal acts and which may be immediately addressed in the presence of an official exercising the supervision, any other civil servant or employee, the investigation of such infringement shall be terminated, the sanction provided for in the law shall not be imposed and the economic entity shall be given an oral remark. In the cases where it is impossible to address the insignificant infringement of requirements of legal acts in the presence of an official exercising the supervision, any other civil servant or employee, the economic entity shall be issued a written order to bring the insignificant infringement of requirements of legal acts to an end and a reasonable period shall be prescribed for the purposes of bringing the infringement to an end which may be extended once. If the economic entity did not bring the insignificant infringement of requirements of legal acts to an end, a repeated oral remark or a written order may not be presented.

2. Infringements of requirements of legal acts which are considered insignificant in specific fields of activities of economic entities or the criteria of such infringements shall be specified in regulations adopted by the head of an entity exercising the supervision or a person authorised by him, a collegial institution of the entity exercising the supervision or a superior entity of public administration.

3. This Article shall not apply to the tax administrator, the customs office, the entities exercising supervision of the financial market, energy control and monitoring of competition. The provisions of this Article shall be of recommendatory nature for the entities specified in this paragraph.

CHAPTER V
TERMS AND CONDITIONS OF INSTITUTIONAL ASSISTANCE

Article 37. Cases when Institutional Assistance is Requested

An entity of public administration may request the assistance of another entity of public administration for adopting the decision on the administrative procedure if:

1) it does not have information that is required for adopting a decision on the administrative procedure;

2) documents possessed by the entity of public administration that is addressed are required;

3) in other cases of necessity.

Article 38. Cases when Institutional Assistance is Refused

Institutional assistance shall be refused if:

1) the issue under consideration is outside the competence of the entity of public administration addressed;

2) rendering of institutional assistance would require unreasonably high costs from the assistance provider;

3) institutional assistance is related to information whose provision is prohibited by laws.

Article 39. Selecting the Institution for Rendering Assistance

Where institutional assistance can be rendered by several entities of public administration, the entity of public administration of the lower level shall first be addressed.

Article 40. Specific Features of Rendering Institutional Assistance

1. An entity of public administration which requests institutional assistance shall be responsible for motivation and lawfulness of the application.

2. An entity of public administration which is requested to render institutional assistance shall be obliged to render the assistance, except for the cases listed in Article 38. Institutional assistance shall be rendered not later than within 5 working days from the receipt of the application for institutional assistance.

3. It shall be prohibited to refuse to render institutional assistance on the grounds that it is inexpedient.

4. Institutional assistance rendered by one entity of public administration to another entity of public administration shall be free-of-charge.

5. The provisions of the Law of the Republic of Lithuania on Services, which regulate administrative cooperation, may lay down other conditions of provision of institutional assistance than those laid down by this Law.

CHAPTER VI
FINAL PROVISIONS

Article 41. Application of the Provisions of Chapter III

The provisions of Chapter III of this Law shall apply in respect of the National Audit Office, the Seimas Ombudsmen, the representatives of the Government in the counties and other entities of public administration performing their functions in accordance with the procedure laid down by laws and other legal acts to the extent their activities in adopting the decisions

concerning the applications or complaints are not regulated in laws and other legal acts regulating their activities.

Article 42. Liability of Entities of Public Administration

An entity of public administration in breach of the provisions of this Law shall be held liable under law. Any pecuniary and non-pecuniary damage resulting from illegal acts of entities of public administration shall be compensated in accordance with the procedure laid down by the Civil Code and other laws.

Article 43. Application of Provisions of Chapter IV

If the requirements laid down in other laws and applicable to the supervision of activities of economic entities conflict with the provisions of Chapter IV of this Law, this Law shall apply, with the exception of the cases where mandatory requirements of legal acts of the European Union or international agreements of the Republic of Lithuania are incorporated into or the regulation which is more favourable to economic entities is embedded in other special laws regulating the supervision.

Article 44. Application of the Provisions of the Law to State and Municipal Enterprises and Public Establishments whose Stakeholder is the State or the Municipality

1. The provisions of Articles 8, 14 and Chapters III, IV of this Law shall apply only to those activities of state or municipal enterprises and public establishments exercising public administration, which are related to the implementation of the powers of public administration devolved to them.

2. The provisions of paragraphs 5, 6 of Article 10 and Article 11 concerning the structure of entities of public administration shall not apply to state or municipal enterprises and public establishments exercising public administration.