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LITHUANIA



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Newsweek

LITHUANIA

GLOBAL PLATFORM FOR CO-CREATION

Lithuania draws deeply on its belief in freedom and partnership to face global challenges, from the impact of the war in Ukraine to building a modern, digital economy based on open data. Openness and innovation are the hallmarks of Lithuania's society and business community in a time of major global challenges.



FACED by a wide range of major challenges in recent years, from Covid-19 to the impact of Russia's war against Ukraine, the foundations of Lithuania have proven to be strong with a well-functioning government and proactive civil society.

The secret is a commitment to freedom and partnership; Lithuania's can-do society applies values rooted in democracy, cooperation and innovation in all fields – be it international diplomacy or the new digital economy. Today's Lithuania offers an open environment, allowing different actors to come together and co-create solutions.

On Ukraine, Lithuania moved rapidly to turn sentiment into action, providing political, humanitarian and financial support to the country and its people. On 1 March, 2022, Lithuania became the first country to refer a case for Russian war crimes in Ukraine to the International Criminal Court. In April 2022, it became the first country in the EU to disconnect itself entirely from Russian gas supplies.

Lithuania is now third in the world in terms of aid commitment to Ukraine as a percentage of GDP and is running four projects dedicated to reconstructing the country's infrastructure. Citizens have stepped up, crowdfunding five million eu-

ros in three days to pay for a Bayraktar TB2 combat drone for Ukraine, and 14 million euros for radars to protect Ukrainian skies.

When Ukrainian refugees first poured into the country after Russia's full-scale invasion on 24 February, 2022, Lithuanians responded by inviting them into their homes. Today, the 80,000 Ukrainians in Lithuania are all in proper accommodation and the authorities have been proactive in integrating war refugees into the labor market.

In geostrategic terms, Lithuania's membership of the EU and NATO, as well as its ability to build strong ties with democracies from the West, within the Eastern Partnership, the Pacific region or elsewhere, has created a position of strength and security. Lithuania's government is committed to a rules-based international order

and promotes democracy in its neighborhood and the wider world. To this end, the NATO summit taking place on July 11 and 12 in Vilnius will focus on strengthening the Alliance's collective defense and deterrence as well as increasing support for Ukraine.

OPEN DATA FOR AGILE GOVERNANCE

In the era of data, Lithuania is striving to build a solid foundation for improved governance by opening up public sector data to exploit innovation potential. A reform process is underway to ensure the availability and openness of high-quality public sector data, as well as the possibility of sharing data among economic sectors and to facilitate data-based decisions by public sector institutions.

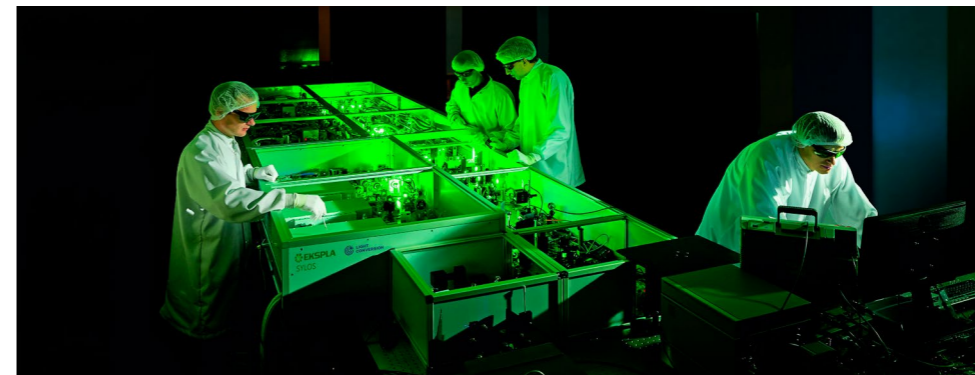
The Open Data Portal has already been launched and Lithuania's National Data agency is overseeing the creation of a national data lake to provide the means to solve real-time issues for businesses and enable agile and efficient decision-making by government.

Lithuania's authorities are convinced that by harnessing the power of data, they will be able to steer clear of costly, time-consuming mistakes, and, instead, pivot their focus toward effective solutions for the key challenges ahead. Beyond data, openness is a watchword across Lithuania's society; the country ranked seventh in the 2023 World Press Freedom Index.

LEADING THE WAY IN CYBERSECURITY

Another result of the focus on tech has seen Lithuania become a prominent nation in the field of cybersecurity. The country leads an international cyber rapid-response team (CRRT), assisting the key EU institutions and helping to defend Ukraine from cyberattacks, as well as hosting the Regional Cyber Defence Centre – a joint initiative of Lithuania and the US.

Accumulating expertise and talent in such a field is not only a question



of national security, but also benefits the booming Lithuanian tech sector. One of the country's biggest startups is the cybersecurity firm Nord Security, a company that recently reached unicorn status and is best known for its NordVPN product. The service is trusted around the world by more than 14 million users, who benefit from security against hackers and cybercriminals, as well as enjoying a level of privacy that is easily lost when browsing the internet.

"Lithuania's strength in cybersecurity stems from our historical determination to defend our country and our flexibility about change. Lithuania has consolidated cybersecurity systems to orchestrate all our efforts toward well-protected critical infrastructure through excellent cooperation between public and private sectors," says Liudas Ališauskas, Director of the National Cyber Security Centre.

MOVING TOWARD A KNOWLEDGE ECONOMY

In keeping with the country's pursuit of real change in the face of contemporary challenges, Lithuania is well on its way to becoming a truly digital society. Virtually all (95%) of public sector services have been digitized, and uptake has been encouraging, with 80% of the country's citizens using e-government services, and 97% engagement from businesses. Lithuania's i.MAS online tax registration and payment system enables users to submit and pay tax returns with just a few clicks.

But digital transformation is an open-ended process, a challenge Lithuania attempts to meet with a co-creativity approach. This idea is borne out by projects such as the GovTech Challenge Series, in which innovative

With an exceptional business environment, world-class talent and growth ecosystems, Lithuania is the ideal innovation sandbox for bringing disruptive solutions of global significance

teams are presented with public sector challenges to try out digital solutions.

Lithuania is positioning itself as a sandbox to test ideas in real market conditions before rolling them out globally. Via tailored industry-specific regulatory sandboxes provided by the relevant authorities, startups and incumbents can try out innovations in fields as diverse as finance, energy and transport. The thinking behind Lithuania's model is that the creation of infrastructure and ecosystems for innovative solutions must be open to all, not just those already based in the country.

Major foreign companies who have already set up operations in Lithuania include Danske Bank, Nasdaq, Continental, Hollister, Hella, McKesson and Thermo Fisher Scientific. Local challengers too, have been nurtured by the same positive conditions – not least Vinted, Europe's biggest marketplace app for used clothes and one of Lithuania's three business unicorns. Last year saw 240 million euros invested in Lithuanian startups.

In fintech, Lithuania leads the EU with 263 licensed companies, including sector giant Revolut, payments company Paystrax and leading regtech firm Hyarchis.

Lithuania's standing in the international scientific community stems partly from Virginijus Šikšnys's pioneering work in the field of gene editing – medical technology destined to change the lives of millions. In 2012, the professor from Vilnius University Life Sciences Centre demonstrated that DNA-cutting by the Cas9 protein can be used for programmed genome editing using the CRISPR family of DNA sequences. Lithuania has since joined the flagship European Molecular Biology Laboratory (EMBL), with six international research groups work at the EMBL Partnership Institute in Vilnius, each tackling a different facet of gene editing.

Lithuania has also become synonymous with laser technology, in particular the ultrashort pulse, a laser that emits extremely fast pulses of light. Lithuanian ultrashort pulse lasers account for more than 50% of the global market; in general terms, laser systems from Lithuania are present in 95 of the world's top 100 universities, as well as helping to power the scientific endeavors of NASA and Europe's CERN nuclear research organization.

"The Lithuanian laser sector has shown fast and sustainable growth. We deliver a wide range of values in laser science and technologies: from fundamental research to ultrashort pulse lasers, state-of-the-art industrial workstations and breakthrough applications," said Prof. Gediminas Račiukaitis, President of the Lithuanian Laser Association.

Here as in other areas, partnership is key. The Lithuanian Laser Association has signed an agreement with the Industrial Technology Research Institute of Taiwan (ITRI) to set up a joint laser technology research and innovation center in the Asian country, scheduled to open later this year.

Challenges are inherent to life anywhere; Lithuania is set on the path of searching for solutions. || ||||

Lithuania Co-create

GLOBAL PERFORMANCE



in EU for GDP per capita growth (2000-2020)
Eurostat, 2020



freest economy in the world
Fraser Institute, 2022.

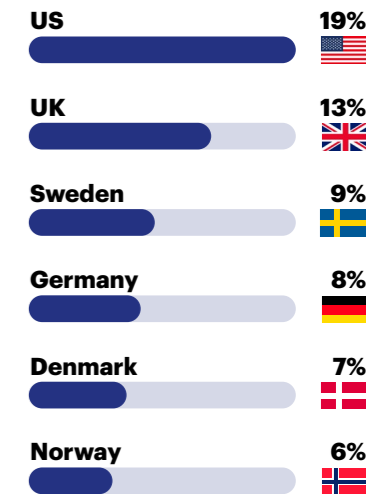


globally for digital / technological skills availability
IMD World Competitiveness Yearbook 2022



globally in ITU's Cyber Security Index
International Telecommunication Union, 2020

TOP INVESTING COUNTRIES BY SHARE OF TOTAL PROJECTS



Invest Lithuania, 2022

A SANDBOX FOR NEW IDEAS AND SOLUTIONS

Lithuania offers investors a business-friendly suite of incentives and initiatives, making it the perfect sandbox for companies looking to experiment and innovate. All of this is delivered in the spirit of co-creation, shared by the country's people, enterprises, and authorities.



LITHUANIA has adopted a sandbox mentality to offer investors attractive conditions for the development and launching of new solutions. With a population of just 2.8 million and thanks to forward-thinking and approachable decision-makers, our compact country is able to offer a dynamic and adaptive environment.

Our innovative and open business sectors create interconnected ecosystems, where people, businesses, NGOs, and government institutions collaborate, grow and build together. Thanks to that, the country is continuously punching above its weight, as is illustrated by the fact that we're ranked first in the EU Greenfield FDI Performance Index.

One of the key factors in this success is the quality of our talent pool. 58% of the population holds a higher education qualification, which is the fourth highest share in the EU. Official institutions are easy to engage with: setting up a business can take as little as three days, and the country's seven free economic zones (FEZ) offer a raft of incentives and turn-key solutions for manufacturing.

The suite of free services offered to investors by Invest Lithuania covers everything from fast-track access to different incentives they might be eligible

for (including a 0% corporate tax for 20 years), the selection of land plots, and streamlined migration processes for talent. The advice goes beyond business setup, and covers communication with relevant authorities, cooperation with educational institutions, upskilling and reskilling, and much more.

STRIDES IN MANUFACTURING AND SUSTAINABLE MOBILITY

The manufacturing sector is responsible for 20% of Lithuania's GDP, and it is becoming increasingly future-focused. For instance, a recent survey has shown that 98% of foreign-owned manufacturers have plans to invest in robotic solutions, as Lithuania accelerates toward higher Industry 4.0 standards.

One sector that exemplifies the speed at which change can happen in Lithuania is sustainable mobility. For thirty years now, Lithuania has been home to Baltik Vairas, the largest bicycle and e-bike manufacturer in northern Europe, which makes 500,000 bikes a year. The sector has gained a fresh boost with news that a manufacturing facility is to be built by Pon.Bike in Kėdainiai with a planned annual capacity of 450,000 bicycles for leading brands such as Gazelle, Kalkhoff, Focus, and Urban Arrow.

This idea of sustainable mobility is visibly changing the country's society at the root level. The city of Vilnius has tripled the size of its bike lane network in the past six years, and it plans for 20% of all city trips to be made on bicycles within the next decade. This is just one of many initiatives born out of the €200m allocated annually to promote the shift to sustainable mobility.

STEADY GROWTH ACROSS TECH SECTORS

In addition to strong manufacturing capabilities, Lithuania has a powerful, 52,000-strong ICT sector. Thanks to progressive regulation, the country has established itself as the largest fintech hub in the EU. Other tech sectors, including AI and cybersecurity thrive as well, powered by acceleration funds and a growing VC community.

Fueled by local startups and international companies like Wargaming joining the ecosystem, the Lithuanian game development industry has tripled in size in just five years. Four Lithuanian universities and colleges offer study programs related to game development, ensuring a steady supply of passionate and skilled game development professionals.

Lithuania also sees immense potential in life sciences, and has set a strategic goal for the sector to generate 5% of GDP by 2030. Again, talent and the spirit of collaboration are key to the strategy. Lithuania already has the highest share of women scientists and engineers in the EU (52%) and is fourth in terms of STEM graduates. The country also tops many European rankings related to university-business collaboration in R&D.

Finally, Lithuania's sandbox approach is reinforced by the government's openness to give innovators and investors a seat at the table. We want to see what the future looks like, and we're happy to take you on this journey of co-creation. || ||||



ELIJUS ČIVILIS
General Manager
INVEST LITHUANIA

"The sandbox idea is not just a fancy word; it's creating a safe environment where government, society and businesses agree to collaborate and test out solutions to see where the future is heading."

Invest Lithuania

Image: Benediktas Gylys Foundation - VILNIUS TECH.

BUILDING THE FOUNDATION OF THE DIGITAL ECONOMY

OXYLABS provides businesses and institutions with the tools to harness public web intelligence, creating a unique environment for growth and innovation. Effective and ethical use of internet data is key to the future of important policy initiatives.



JULIUS ČERNIAUSKAS
CEO at OXYLABS

"Web scraping, or automated online data acquisition, has ushered in an era bursting with possibilities and opportunities.

Businesses and the public sector can make use of the enormous public information that is stored on the internet to improve their decision making and, at the same time, build a better future for all of us."



PUBLIC WEB data is an unrivaled source of information when acquired at scale. Oxylabs stands among the world's leading companies capable of enabling large-scale extraction by providing out-of-the-box solutions such as scraper APIs and the world's largest ethical proxy network with more than 102 million IP addresses.

Access to web intelligence creates entirely new business models and helps institutions come up with innovative solutions to pressing public issues. Consumers turn to businesses that employ automated online data acquisition systems on a daily basis; travel fare aggregation, price comparison sites, search engines, and many other services rely on web scraping technologies. Businesses, meanwhile, employ the same web data to improve pricing strategies, protect their brands from counterfeit

OXYLABS is a market-leading web intelligence collection platform, driven by the highest business, ethics, and compliance standards, enabling companies worldwide to unlock data-driven insights

products, and safeguard internet users from malicious activity.

Today, Oxylabs' services are used by thousands of companies that seek to enhance their decision making by extracting valuable information from the internet, enabling them to establish dynamic pricing, brand monitoring and numerous other technologies, further boosting business growth.

And the importance of automated data extraction is set only to grow, with [research](#) conducted by Censuswide and Oxylabs showing that 90% out of thousands of key decision makers in the US and UK finance and ecommerce industries expect to focus more on web scraping in the coming years.

While building the foundation of the digital economy by supporting global businesses has been Oxylabs' primary source of revenue, the company has also placed significant emphasis on supporting academic institutions, researchers, public bodies and NGOs, aiming to create societal benefits through its pro bono "Project 48" initiative.

One of its main accomplishments has been the collaboration with The Communications Regulatory Authority

of the Republic of Lithuania (CRA), leading to an AI-driven solution to detect illegal (i.e. child sexual exploitation) content online. The CRA can now take a proactive role when safeguarding the internet instead of being forced to rely on reports by citizens.

Supporting public institutions is just one way that Oxylabs stands apart from its global competition. As a leading company in the web intelligence space, the company became one of the founders of the Ethical Web Data Collection Initiative ([EWDCI](#)), which aims to bring web scraping into the limelight. EWDCI works toward educating both consumers and regulators about the benefits of automated online data acquisition while pressing all companies involved to adopt industry-wide best practices and ethical commitments.

Web scraping is quickly becoming the foundation of the digital economy and playing a key role in the future of public policy. From its position at the forefront of the industry, Oxylabs continues to reach out to those who wish to benefit from automated online data collection, enabling them to arrive at innovative solutions to pressing business or public issues. || ||||

THE HAPPENING PLACE FOR INNOVATIVE TECH BUSINESS

SUNRISE TECH PARK is one of the strongest innovation support ecosystem organizations in Lithuania. Since 2003, this dynamic partnership of research and study institutions, local government and the business community has created ideal conditions and a collaborative environment for the development of innovative startups.

OVER THE PAST 20 years Sunrise Valley Science & Technology Park has risen to become the largest knowledge cluster in the Baltic Countries, the jewel in Lithuania's tech business crown that has given birth to a succession of successful ventures.

Sunrise Tech Park enables science and business to collaborate effectively, meaning that research and knowledge-based innovations can be fostered and high-tech companies incubated until they get a foothold in the global market.

Among the hundreds of startups to have emerged from Sunrise Tech Park are Teltonika, a leading Internet of Things (IoT) venture, sonar equipment developer Deeper, Integrated Optics, which makes the world's smallest turnkey lasers for spectroscopy and LiDAR, and creative social media platform Bored Panda.

Part of the secret lies in the concentration of talent. Sunrise Valley campus, where Tech Park is located, hosts 30,000 students and two of Lithuania's largest universities – Vilnius University and Vilnius Gediminas Technical University – as well as several research centers, allowing for an exciting degree of interdisciplinary activity.

So how does the Tech Park bring all this talent and business sense together to catalyze transformative technological innovation?

In essence, the Park employs a one-stop-shop approach, using its local and international networking potential to respond with precision to the needs of individual ventures and help them grow. This all-round support system includes advisory services regarding innovation and finance, digitalization acceleration, and, crucially, creating technological partnerships and projects through both international connections and within the Sunrise Tech Park community.

The innovation support services provided by the Park enable companies to increase their productivity, resilience, ICT penetration and innovation potential. The Park is horizontal, cooperating with adjacent partners that provide access to the two major universities,



LAIMA BALČIŪNĖ
Director
SUNRISE TECH
PARK

"We aim to become the most successful science start-up hub in the Baltics, with innovations that help create future-proof technologies and increase Lithuania's global competitiveness."

open science centers and intermediaries such as business associations, clusters and business support structures.

Sunrise Tech Park's vision goes beyond merely helping to launch startups; extensive collaboration with partners is about seeking the best and most sustainable solutions and developing trust between organizations. These values are borne out in initiatives co-founded by Sunrise Tech Park, such as the Cleantech Cluster Lithuania, the Digital Innovation Hub, the CERN Technology Business Incubator, and the first pre-accelerator in Lithuania, Futurepreneurs.

Besides being one of the founding members of the Cleantech for Baltics initiative last year, Sunrise Tech Park is the coordinator of the Lithuanian Cleantech Cluster, established in 2018. Currently, the cluster brings together close to 40 cleantech companies, research and study institutions and other entities in the pursuit of common goals related to increasing the competitiveness of members and strengthening the image of Lithuania as a cleantech country. || |||||

The valley is home to the majority of Lithuania's scientific potential due to the presence of 5,000 scientists and researchers; located in the valley, Sunrise Tech Park enables effective cooperation between science and business to ensure that investment yields the highest economic returns

FACTS AND FIGURES



392
technological companies were located in the park.



95
incubated startups.



300+ new products introduced to the market.



12.711.636+ USD attracted in investments.



1.000+ companies received innovation support and consulting services.



46 implemented projects.

THE BOSTON OF THE BALTICS

KAUNAS is a regional powerhouse in technology-based industries and the knowledge economy, with growth booming in the electronics, ICT and med-tech sectors.



KAUNAS, with 400,000 inhabitants, is Lithuania's second-largest city, but it feels more like an unofficial fourth capital city among the three Baltic states with its growing population, concentration of industry, extensive university environment and importance as a transportation hub.

The city has been dubbed the 'Boston of the Baltics' due to the notable presence of its tech and healthcare industries, with Kaunas University of Technology (KTU), an institution that trains the highest number of IT specialists in the region, sometimes described as a Baltic version of the world-renowned MIT.

KTU is one of a dense network of 12 higher education institutions in Kaunas, with around 33,000 students in attendance, 60% of whom study STEM subjects. An increasing proportion of the city's full-time students are from abroad (11%) as Kaunas's reputation grows internationally.

Adding to Kaunas's vibrant research and development (R&D) ecosystem, Tech-Park Kaunas is one of the largest communities of technological innovators in the Baltics. Furthermore, Kaunas's newly-launched Innovation Park aims to concentrate leading local companies in tech and life science fields alongside representatives of international R&D departments. This 74-acre site providing investment-ready infrastructure for greenfield and brownfield projects promises to become a new engine for national economic growth.

Over the past decade Kaunas has become a hotspot for FDI investment

in the region. Kaunas Free Economic Zone (FEZ), with its infrastructure and tax incentives, has established itself as the leading greenfield investment location in the Baltics.

The concentration of industry is not new; Kaunas has been a hub for electronics and industrial machinery, equipment and tools for decades. But a real breakthrough occurred in 2017 with the arrival of two international electronics manufacturing companies: Continental and automotive technology group Forvia. Both have since doubled their initial investments, and, together with fast-growing locally-owned companies such as Teltonika Networks and Axioma Metering, Kaunas has emerged as a bright light in the European industrial sector.

Few years ago fDi Intelligence rated Kaunas as the second-best destination for electronics R&D in Europe, as well as second-best globally in terms of cost-effectiveness. Additionally, the IT companies operating in Kaunas –with operations ranging from client-tailored products to cybersecurity solutions– include global giants such as Oracle, Cognizant and Dassault Systèmes.

Looking forward, Kaunas has a lot to offer the life sciences sector. Vaizduotė is one local company that has shown the way, with its non-invasive brain blood pressure monitoring technologies and devices being purchased by med-tech firm Boston Neurosciences. Currently, around 15% of local startups in Kaunas operate in the med-tech field, but with the opportunities for investment and the presence of 11,000 students pursuing



MICHAEL BRENNAN
General Manager
HOLLISTER Lietuva

"Hollister Lietuva established and officially opened its Kaunas facility in October 2019. The facility is a critical supply source for our Ostomy and Continence Care products. Since opening the facility has successfully grown to over 600 associates. We have been very impressed by the quality and calibre of the talent available locally and the strong investment support in Lithuania to facilitate our growth as a company."



life sciences qualifications, this proportion is expected to grow.

Located on all main regional logistical arteries –from road and rail to inland waterways– Kaunas has always been a key logistical intersection in the Baltics. The city will also sit on the main line of the high-speed Rail Baltica project, due to connect the main Baltic cities to the European railway network over the next five years.

Kaunas is also a sports-breathing city and one of the top basketball destinations in Europe thanks to the city's green-and-white Kauno Žalgiris team. Kaunas boasts the largest entertainment arena in the Baltics, as well as two yacht clubs, 15 parks, seven swimming and spa centers, on top of Lithuania's best education and healthcare services.

Echoing Boston's historic role in the US, Kaunas sees itself as the birthplace of modern Lithuania, and the city's modernist architecture has now gained UNESCO World Heritage recognition. Historic spirit and modern dynamics form the mood of Kaunas. || |||||

More about Kaunas: www.kaunas.lt

LITHUANIA'S MARITIME POWERHOUSE

The Baltic city is looking forward to expanding its port, which is transforming Klaipėda into a green energy hub, attracting innovative manufacturing to the strategically located Free Economic Zone and enabling maritime know-how to strengthen the blue economy.

THE CITY of Klaipėda already boasts one of the Baltic Sea's leading ports, a hive of economic activity with more than 350 companies based among the existing facilities.

But looking forward, the Port of Klaipėda has a major expansion plan in the works and has set a clear course to becoming a green energy hub, facilitating the switch to greener sources of energy and reducing emissions from operations.

The key plans for the port's transformation include the installation of onshore power supply to avoid berthed ships using fuel for their energy needs and the construction of a new Southern Port, which will add 30 million tonnes of annual cargo capacity over the next decade, boosting operations by more than one-third.

While the Port of Klaipėda is already a key player in ensuring Lithuanian energy independence through its LNG floating storage regasification unit, green hydrogen production is planned from 2025, and a 1.4-gigawatt offshore wind farm is due to become operational in 2028.

Changing energy needs mean opportunities for the local economy; in 2022 LNG cargo at the port doubled that of the previous year to reach four billion square meters, and the wind farm spells a need for turbine instal-



ALGIS LATAKAS
Director General
of KLAIPĖDA
STATE SEAPORT
AUTHORITY

"The world's most advanced ports are evolving to become important players in the energy sector, in addition to their normal logistics activities. This diversification is due to the electrification of ports, green fuels in shipping, and the construction of offshore wind farms near ports. Klaipėda is actively preparing for this transformation, and we see many new opportunities for the port."

lation infrastructure and maintenance operations.

The Klaipėda Free Economic Zone (FEZ) offers a strategic location for manufacturing with access to logistics services connecting businesses based there with the rest of the world, via the Baltic's northernmost ice-free port, well-developed road and rail links, and Klaipėda's international airport.

Now in its third phase of expansion, the FEZ hosts more than 100 businesses from 18 countries, whose total investment since the zone's establishment in 2002 has reached €783m.

The chief industries already present include plastics and chemicals, electronic vehicles and components, and engineering and metal structure ventures, with the Klaipėda FEZ team focusing on attracting projects in sectors such as innovative manufacturing, renewable energy components and bioeconomy.

Flexible real estate solutions are offered - land plots for greenfield investments, premises to rent and built-to-suit options. Investors can count on FEZ team support at each stage of their project, including aftercare services.

Klaipėda's traditions and the presence of leading institutions combine to make the city a center for the knowledge-based blue economy, stimulating future developments in the maritime sector.

Klaipėda University is a leading institution in oceanography, focusing on marine biodiversity, maritime engineering, marine heritage and blue growth. It is a member of the European EU-CONEXUS network, a partnership between nine universities developing science and innovation into a centre of excellence on Smart Urban Coastal Sustainability.

The Marine Research Institute is a subdivision of Klaipėda University, conducting fundamental and applied research on marine and coastal environment and maritime technologies. Additionally, the Lithuanian Maritime Academy is unique in the country in the field of training, professional development and retraining of seafarers and specialists in the maritime and inland waterway transport sector.

These institutions have come together with Klaipėda Science and Technology Park and other partners to create the Lithuanian Maritime Cluster, applying combined expertise in work on a variety of projects including innovations in LNG transport, net-zero emissions in freight, and creating one of the first green logistics chains across Europe. || ||||



Image: Andrius Kundrotas.

AUDIOVISUAL SECTOR SET FOR SUCCESS

Lithuania has put itself firmly on the map of the global film production industry thanks to its combination of picturesque locations, technical capacities, competitive costs and tax incentives.



EVEN THE MOST casual viewer of film or TV series on platforms such as Netflix and HBO will by now have seen Lithuanian locations on their screen. Some of the high-quality productions filmed in the country in recent years include hit shows such as Stranger Things, Sisi, Hilma, Young Wallander, Clark, Chernobyl and Catherine the Great, all featuring locations in Vilnius, which concentrates as much as 90-95% of Lithuania's film industry.

While the use of even more of nature- and heritage-rich Lithuania's huge potential as a film location will surely see the sector grow further, figures cited by the state-run Lithuanian Film Centre reveal that the volume of the film industry grew rapidly between 2017 and 2021, with total production costs exceeding 200 million euros.

The same period saw 19,000 long-term and temporary jobs created in the capital thanks to film projects, adding up to a total of 51.7 million euros in salaries and wages. Film productions must spend locally on locations, production equipment, transportation, accommodation, catering and insurance services, ensuring a broad spillover effect for the local economy as a whole.

And the investment continues to roll in, with foreign productions spending 35.3 million euros in the country in 2022, led by German sci-fi movie Paradise. According to the [Vilnius Film Office](#), the film industry's growth has been prompted by the quality of Lithuania-based professionals, a friendly regulatory and tax system, and desirable filming locations.

"We can rejoice that the professionals working here and the architectural heritage – the Old Town of Vilnius reflecting various architectural styles, Soviet-style residential areas and existing mansions – attract filmmakers," says Jūratė Pazikaitė, head of the Vilnius Film Office. She adds that the corporate tax relief for filmmakers, which can reach up to 30% of a project's budget for shooting in Lithuania, is also a key element to the country being so competitive among Baltic countries.



To benefit from tax relief, a production must spend at least 43,000 euros in Lithuania, with 80% or more of the film production costs eligible for relief to be incurred in the country. [The Lithuanian Film Centre](#) administers the program, with films having to meet certain cultural content and production criteria to qualify for the incentive.

"The film projects filmed in Lithuania that have achieved international acclaim in the past as well as the ones currently in production have all seized the opportunity offered by the Lithuanian Film Tax Incentive. We're glad to see that in 2022, the amount of relief given was the largest since the incentive has been in place," says Laimonas Ubavičius, head of Lithuanian Film Centre.

The increased presence of international productions also helps to spur the growth of national film projects, with recent years witnessing a rise in the

number of Lithuanian films presented and winning prizes at major film festivals, including Venice, Cannes and Sundance. The base of Lithuania's technical capacities is naturally broadening thanks to increased investment, with a growth in animation projects one notable feature of the expansion process.

In 2022, the number of economic entities registered in Vilnius and operating in the film industry reached 174, most of which were film production companies. The [Baltic Film & Creative Tech Cluster](#) brings together more than 40 core members and works with around 80 companies to provide services ranging from marketing to innovation management to R&D assistance.

Among the cluster's initiatives is the development of a state-of-art Audiovisual Hub over the coming years, including a virtual production studio, immersive technology labs and all the necessary related infrastructure.

Industry representatives warn, however, that more specialized training of film industry professionals in Lithuania will be necessary to keep up the recent pace of growth, with many young people currently traveling abroad to learn the skills required by the sector. || ||||



LITHUANIAN
FILM
CENTRE



VILNIUS
FILM
OFFICE



Baltic Film &
Creative Tech
Cluster

AN EXPERIENCE TO SHARE

Lithuania's multilayered heritage is the result of myriad influences, styles and cultures over many centuries. Now the country is perfectly placed to create memorable experiences, from its hidden gem cities and vast nature reserves to surprising gourmet dishes.

EAST HAS MET WEST in Lithuania for centuries where Baltic and other European influences have mingled, creating a fascinating mosaic of cultural influences ready to explore and open to participation.

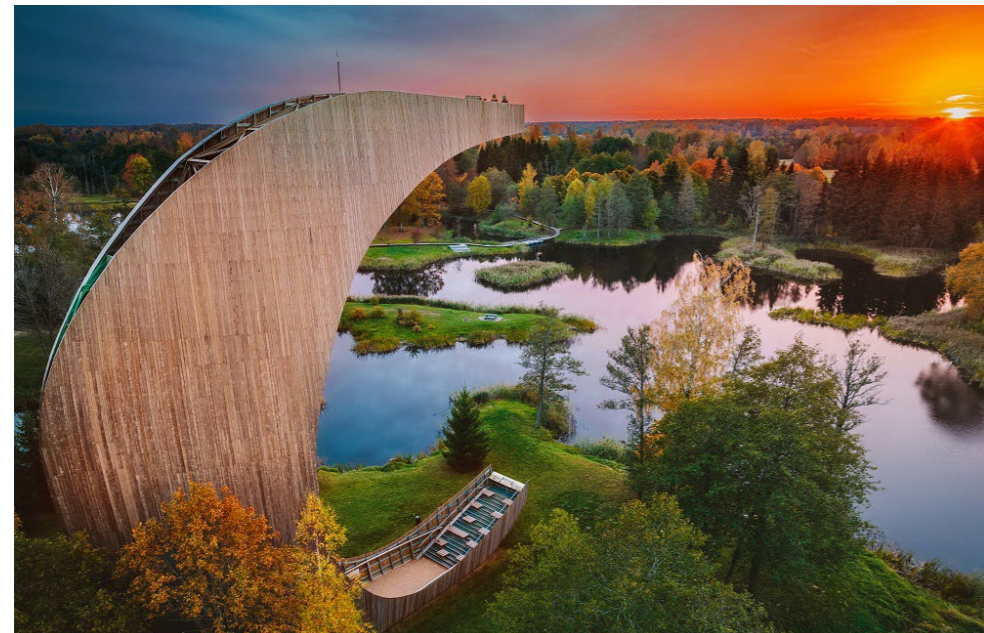
Vilnius, the capital, is known for its UNESCO-listed Baroque architecture, and is also one of few European cities that allow visitors to take hot-air balloon flights above its narrow winding streets, making for a visual feast that is perfect to share with others. Vilnius is a small city, which is packed with great visitor experiences, as well as being one of Europe's greenest capitals.

For a medieval experience, the Trakai Island Castle on Lake Galvė is a fairytale picture-book place by day and equally enchanting at night, when the old residence of Lithuania's grand dukes is beautifully illuminated. Trakai is also a great place to try savory pastries prepared by the Karaites, whose presence dated back to the 14th century, part of the broad mix of influences in Lithuania's gastronomic delights.

Among the essential Lithuanian delicacies any visitor must try are cepelinai – grated potato dumplings, typically with a ground meat filling. Visually remarkable and sweet to taste is šakotis, which gains its distinctive pointy shape as layers of cake mix are added onto a rotating spit in a special open oven. Finally, šaltibarščiai, a cold beet soup whose taste and shocking pink hue leaves no one indifferent.

Vilnius has a dynamic gastro scene where next-generation chefs combine traditional cuisine with modern trends. Or, for something completely different, cross the country westward and try fresh and smoked fish in Lithuania's seaside region.

Lithuanians have an obsession with nature dating back to their pagan past, and there are ample opportunities to experience a close connection with the great outdoors. From spending a night under the stars in a luxury tent or trekking through protected marshes to wild swimming in glacial lakes – there seems to be no limit to the ways one can enjoy Lithuania's nature.




One-third of Lithuania is covered by forest and the country boasts an extraordinary variety of nature reserves, including the Curonian Spit, a vast sandbar on the Baltic coast, and the lake-and-forest complex that is the Žuvintas Biosphere Reserve, both of which have UNESCO protected status. Activity in nature is always possible, whether it be kayaking along the country's many rivers or climbing one of the 30 observation towers that pepper Lithuania's beauty spots. Scaling one such tower in Krekenava Regional Park allows for a rare opportunity to see a herd of European bison.

Still within nature, but involving less exertion are some of the country's many spas, such as Druskininkai health resort, with its elegant surroundings, restorative mineral mud baths and unique honey massage. Wellness in Lithuania encompasses age-old healing traditions and the latest medical advances, combining into top-class experiences.

Lithuania, a safe destination, is waiting to tell its fascinating stories of a co-created past just as a co-creating present emerges amid its lively cultural scene full of unexpected venues, vibrant festivals and gourmet marvels. || ||||

Images: A. Aleksandravičius; © Go Vilnius.



COUNTRY PROFILE
 Area 65 300 km²
 Population 2.8 million
 Capital Vilnius
 Time zone GMT+2
 Member of EU, NATO, OECD
 Currency Euro
 Official language Lithuanian

MAIN CITIES

- Vilnius: 4th most affordable EU capital for expats (*Mercer's 2022 Cost of Living City Ranking)
- Kaunas: 1 in 8 people is a student! Always youthful and funky.
- Klaipėda: A true "15-minute city" with a coastal living flair.

WORK-LIFE BALANCE

- 6th shortest commutes in Europe (Eurostat, 2019)
- 5th in the Global Remote Work Index (NordLayer, 2022)

LITHUANIA

FACTSHEET

LANGUAGES

85% of young professionals are proficient in English 2021 (Invest Lithuania estimations based on Population Census 2011)

96% of Lithuanians are fluent in at least one foreign language (Eurostat, 2016)

CONNECTIVITY

International airports:
 1. Vilnius (VNO)
 2. Kaunas (KUN)
 3. Palanga (PLQ)

RELOCATION

- EU Blue Card: 3-year residence permit for Highly-qualified specialists from outside the EU
- Startup Visa: Accelerated migration procedures for a streamlined entry to the Lithuanian startup ecosystem.

TALENT POOL

- 11N7 students in Lithuania choose engineering (*Ministry of Education, Science and Sport, 2022/2023)
- 52K ICT specialists in the market (*Eurostat, 2021)
- 52% the highest share of women scientists and engineers in the EU (*Eurostat, 2020)

DIGITAL INFRASTRUCTURE

- 90% of public sector services are digitised (European eGovernment Scoreboard, 2022)
- 97% of businesses use digital public services (European eGovernment Scoreboard, 2022)

11TH globally for digital quality of life (Surfshark, 2022)

2ND in the world for public WiFi speed (Rotten WiFi, 2021)

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