**Lithuania**

Mažvydas Jastramskis

*Capital:* Vilnius  
*Population:* 2.9 million  
*GNI/capita, PPP:* US$28,775

Source: World Bank’s *World Development Indicators 2016.*

### Nations in Transit Ratings and Averaged Scores

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**NOTE:** The ratings reflect the consensus of Freedom House, its academic advisers, and the author(s) of this report. The opinions expressed in this report are those of the author(s). The ratings are based on a scale of 1 to 7, with 1 representing the highest level of democratic progress and 7 the lowest. The Democracy Score is an average of ratings for the categories tracked in a given year.
EXECUTIVE SUMMARY

The year 2016 was a turbulent one in the domestic politics of Lithuania. The democracy’s major problem—corruption—dominated the public sphere due to a series of investigations regarding the non-transparent relations between politicians and businesses. Compared to 2015, when the domestic political climate was relatively calm, political tensions increased after the Lithuanian Peasant and Greens Union (LPGU) unexpectedly won parliamentary elections with the largest plurality since 1996.

LPGU’s victory again proved the volatility of Lithuania’s party system and voters’ dissatisfaction with traditional parties. “Peasants,” an already established party with a revamped image, had very modest representation in the previous parliament (1 MP) but swept over their competitors in the two-round parliamentary vote on October 9 and 23, earning 56 parliamentary seats out of 141. Their success was due to a convergence of favorable circumstances and factors. Scandals in both governmental and opposition parties; a two-round electoral system that rewards centrist positions in the second round; a catch-all image that is both socially conservative and economically left-leaning; a promise of technocratic government of so-called “professionals;” and an emphasis on halting emigration from Lithuania and combatting alcoholism all helped the party achieve electoral victory. LPGU also earned the endorsement of popular non-partisan candidates, including former interior minister and designated prime minister Saulius Skvernelis, health specialist Aurelijus Veryga, and the former finance adviser of prime minister Stasys Jakeliūnas.

Coalition talks were complicated by an unusual situation for Lithuania, as one centrist-populist party won a plurality, but fell far short of an absolute majority. LPGU’s leader Ramūnas Karbauskis formed two consultation groups for forming a coalition: one with the left Lithuanian Social Democratic Party (LSDP) and other with the right Homeland Union–Lithuanian Christian Democrats (HU-LCD). With the former being relatively reluctant to be a junior partner and LPGU not willing to cooperate with other parties on various grounds, the only viable coalition variant open a coalition of LPGU (11 ministers) and LSDP (3 ministers). It is notable that LPGU’s pick for the prime minister, Saulius Skvernelis, only joined LPGU’s ballot during the year. Party chairman Karbauskis became leader of LPGU’s politically diverse parliamentary grouping, in a move reminiscent of the model employed by Jarosław Kaczyński from Poland’s ruling Law and Justice party, where the party leader holds no executive posts and prefers to “rule from behind.”

Besides the parliamentary elections, during the year the political landscape was dominated by various corruption scandals. One year before the parliamentary elections, polls had shown the center-left government could be re-elected. However, after a series of various political scandals, LSDP, the Labor Party (LP), and the Order and Justice Party (OJP) collectively received only 25 percent of votes. The lack of government transparency is a structural problem linked to both the party system and political values. Out of six parliamentary parties, only politicians from the Electoral Action of Poles in Lithuania (EAPL) and HU-LCD were not tied to significant corruption scandals in 2016. Public trust in the traditional parties suffered a major blow when Eligijus Masiulis, the former leader of oppositional Liberals Movement of the Republic of Lithuania (LMRL) and a popular politician, was investigated by the Special Investigation Service (SIS) for allegedly receiving a €106,000 ($112,600) bribe.

Even though the introduction of direct mayoral elections in 2015 strengthened political rights, it also created some problems. A case in Raseiniai municipality where the council majority tried to legally remove the mayor shows that the unchanged institutional system of local government—combined with a directly elected mayor—can lead to political deadlocks.

Society in Lithuania is still reluctant to recognize LGBT rights, and with LPGU’s leader being against same-sex partnerships, an improvement to the situation for LGBT persons is unlikely in the near future. Since the number of refugees settling in Lithuania was very low in 2016, this issue deescalated and did not contribute to the rise of illiberal movements. This was reflected in the parliamentary elections, where the Labor Party, which based their campaign on an anti-refugee agenda, failed to exceed the 5 percent threshold. While other factors contributed to LP’s electoral downfall, the public’s failure to endorse the party’s anti-immigrant stance is very illustrative in the context of immigration issue).

Media independence in Lithuania was compromised by several prominent cases of alleged corrupt relations between the representatives of influential media actors and politicians. Ownership concentration and the politicization of media at the local level remain and still pose important challenges for the quality of democracy.
Outlook for 2017

The most important questions for 2017 concern the newly formed coalition. Since LPGU’s parliamentary grouping is comprised of party members and various non-partisans (or former members from other parties), the stability of coalition remains an open question and depends on Karbauskis’s ability to prevent a split. Another question concerns public policy: will LPGU implement its left reforms, and how will the semi-technocratic government function? Security questions, like the defense budget and military conscription, should remain on the political agenda and Lithuania’s foreign policy of Lithuania should not change. LPGU has declared that they will continue the pro-Western orientation and the post of Ministry of Defense will depend on the president’s will.
The two-round parliamentary elections of October 9 and 23, 2016, again proved the volatility of Lithuanian party system. The three-party center-left government comprised of the Lithuanian Social Democratic Party (LSDP), the Labor Party (LP) and the Order and Justice Party (OJP) was ousted by voters, with LP suffering the biggest losses, losing 27 of their 29 parliamentary seats. The Lithuanian Peasant and Greens Union (LPGU), which had only one seat in the 2012-2016 term Seimas (parliament), came out with the largest plurality of seats (56) for a single party since the 1996 parliamentary elections.¹

It was also the first time since 2004 that a party other than LSDP or Homeland Union-Lithuanian Christian Democrats (HU-LCD) have won the elections, and first time since 2000 that a third party has led the forming of a coalition. After the elections, Ramūnas Karbauskis–leader of LPGU–denounced the possibility of cooperation with the Liberals Movement of the Republic of Lithuania (LMRL), which came fourth in the elections, on ideological grounds: presumably a result of LMRL’s social liberalism.² On the other hand, LSDP and HU-LCD rejected Karbauskis’ idea to form a grand coalition with LPGU. Despite making overtures to LPGU as a potential coalition partner prior to the elections, HU-LCD (second place) was reluctant to become a junior party in government.³ The distance between these parties increased after the first round of election, when it appeared that they would be the main competitors in the second round.

After two weeks of coalition negotiations, LPGU formed a marginal, center-left coalition with LSDP, comprised of 73 parliamentary seats from a total of 141. Saulius Skvernelis, the non-partisan leader of the LPGU list, was nominated by the coalition as the new prime minister. After short consultations within the parties and with President Dalia Grybauskaitė—who, according to observers, played a large role in the selection of ministers—a mainly non-partisan cabinet was presented. Though the formal division of posts were 3 ministers for LSDP and 11 for LPGU, only social democrats nominated all three party members to the cabinet. LPGU delivered an electoral promise by choosing the technocratic option, with only one of their nominated ministers (agriculture) being party member, and only 4 out of 11 ministers coming from their electoral list.⁴ Grybauskaitė approved the government on November 29.⁵

LPGU is not a genuinely new party (it participated in the 2004-2008 governments), but it had very modest representation in the 2008-2012 (3 MPs) and 2012-2016 (1 MP) parliaments. Several factors contributed to their victory in 2016. First, the low degree of partisanship, mistrust in the political parties, and Lithuanians’ tendency for hyper-accountable retrospective voting⁶—by which the incumbent government is “punished” in the polls— are generally favourable for the rise of new parties or marginal parties with a revamped image. LPGU attracted a lot of non-partisan candidates, first and foremost the very popular ex-interior minister, Saulius Skvernelis, who led the party list.⁷ Secondly, the party accentuated the country’s prominent problems, including emigration from Lithuania, alcoholism (which came into the national spotlight in early 2016 after several tragic domestic violence events), ideas of social justice (such as opposition to liberalised amendments to the Labor Code), and retreating from their former stance of soft Euro scepticism. This accentuation helped establish the party’s image as a centrist, catch-all political power. Thirdly, politics in 2016 were dominated by a series of political corruption scandals that fuelled discontent with established political institutions and parties.

At the heart of LPGU’s success was party leader Ramūnas Karbauskis and his anti-alcoholism campaign. Karbauskis is one of the richest men in the country, owning the most important Lithuanian company in the agricultural sector, and is well-known among the general public as a patron of various cultural activities (for example, he produced TV series “Naisiai Summer” that has been broadcasted since 2009). His hometown Naisiai (where he invested heavily in the people’s well-being) is exhibited as a micro-model of Lithuania. The town’s low unemployment, successful

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The Lithuanian parliament is elected according to a mixed-parliamentary system with two separate tiers. Seventy seats in Seimas are determined by the proportional quota system (first vote) with a 5 percent legal threshold. The remaining 71 members are elected in one-seat districts according to a two-round majority system, though it is possible to be elected in the first round, if a candidate receives an absolute majority of votes. Though LGPU came a close second according to the votes in the proportional tier (22.5 percent and 19 seats), it achieved a landslide victory after the second round (37 seats): 56 parliamentary seats out of 141 in overall. The party’s centrist image enabled LGPU to come out ahead of other parties’ candidates, including HU-LCD’s 42 successful candidates in the second round. The second round proved disappointing for the conservative HU-LCD party, which came first in the proportional tier with 22.7 percent of votes (20 seats), but only gained 11 candidates in the one-seat district tier: 31 seats and 21.9 percent of seats in Seimas overall.

The major governing party LSDP received 14.4 percent of votes and 17 seats, coming in third. The smallest party of the outgoing coalition, OJP, received 5.3 percent and 8 seats respectively. The midsized party of the coalition government, LP, suffered the largest defeat: though in 2012 it received 19.8 percent of votes and 29 seats in Seimas, the party did not climb over the 5 percent threshold in 2016, with only 4.68 percent of votes. LP managed to secure only two seats in Seimas through the one-seat districts.

Electoral Process

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- The parliamentary elections held October 9 and 23 were considered to be free and fair. Clear positive developments were observed when compared with the last parliamentary elections, which were compromised by a record-breaking number of vote fraud incidents (500 reports and 26 pretrial investigations). In the first round of 2016 election on October 9, police received only 61 reports of fraudulent behavior–mostly unauthorized agitation and voter fraud including alleged vote-buying and transportation–and launched two pretrial investigations. The relatively calm political climate during the elections, efforts by the Central Electoral Commission (CEC) and its social partners (primarily the watchdog initiative for election transparency, “White Gloves”) possibly contributed to this outcome.

- 50.64 percent of citizens cast their votes in the first round on October 9, a small decrease if compared to the 52.93 percent who casted votes in 2012. As usual, the turnout was even lower in the second round (68 districts from 71 had a run-off) on October 23, where 38.1 percent voted (a slight increase from 2012, with 35.9 per cent). Initiatives for encouraging responsible voting such as “I know what I vote for,” which organized debates with candidates in 35 voting districts, and active encouragement to vote from famous people on social media, like the famous writer and journalist Andrius Tapinas, resulted in a higher turnout of young voters than usual. According to the CEC, 38 percent of young people (aged 18-24) voted: this is a great increase from 2012, when only 18 percent of younger voters participated.

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• Two other parties climbed over the 5 percent threshold: LMRL with 9.1 percent of votes (14 seats overall), and Electoral Action of Poles in Lithuania (EAPL) with 5.5 percent (8 seats overall). It should be noted that the “Anticorruption Coalition” of the Lithuanian Center Party (LCP) and the Pensioners’ Party (PP), led by the famous independent politician Naglis Puteikis and former journalist Kristupas Krivickas, received 6.06 percent of votes—but failed to exceed the 7 per cent threshold that is applied for coalitions of electoral lists.

• There was one notable case of electoral fraud. Organized vote-buying allegedly happened in Šilutė district in favor of OJP, which received around 2000 votes in the district. The fact that OJP was only 5000 votes above the electoral threshold prompted public discussions as to whether the whole party could be banned from elections. However, the CEC did not undertake such a decision. Instead, one OJP leader, Kęstas Komskis, was stripped of his parliamentary mandate after being named as the main instigator of the vote buying.

• After the October 9 election, the CEC and especially its long-standing chairperson, Zenonas Vaigauskas, received a lot of criticism from the media regarding the effectiveness of their work. Twenty-four hours after voting stations closed, the final results of the proportional tier vote remained uncertain: this mattered greatly, as the election winners LGPU and HU-LCD were polling very closely. The CEC announced their final decision regarding the run-off in several districts only a week after the first round.

• The main scandal that threw the CEC’s readiness to ensure secure voting into question was related to the informational webpage that informs citizens where to vote and provides registration in order to print a voter’s card. It was noted that sensitive data of other voters—including addresses and birthdates—could be accidently seen by other persons registering on the page. IT experts commented that even amateurs could very easily hack the webpage. The website debacle raised questions as to whether the €500,000 ($531,000) euros commissioned by the CEC for the creation and maintenance of this page were used properly and in a transparent fashion. In the midst of criticism against the CEC, Vaigauskas announced that the present term would be his last as chairman.

• These parliamentary elections were the first since the restoration of independence in which no genuinely new parties participated. This may be explained by a 2015 amendment raising the minimum party membership requirement from 1,000 to 2,000. For example, the supporters of the independent politician Naglis Puteikis tried to establish a new party, but failed to achieve the 2,000 number. In response to these amendments, Puteikis raised his candidacy within a coalition of two other small parties, LCP and PP. As of November 2015, there were 38 registered parties in Lithuania, with liquidation procedures ongoing for 14 of them.

### Civil Society

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• While public participation in demonstrations, rallies, and strikes remains low in Lithuania, there were several such instances during the year. One notable case was strike of teachers organized by the representatives of education unions: participants demanded that the government start a long-term program aimed at raising teachers’ salaries. The strike started on February 22 and ended on March 4, when both sides settled on 8 million additional euros allocated from the budget. There were also protests against the revised Labor Code, and a conservative law regulating the assisted reproduction. The president vetoed both laws. Subsequently, a liberalized version of the assisted reproduction law was adopted. The Seimas overrode the veto on Labor Code in September, just before the parliamentary election.

• Several social initiatives were active during the year. Of particular note is the ongoing watchdog initiative for electoral transparency, “White Gloves”; volunteers from this organization were active during the 2016 parliamentary elections. Another notable social initiative was “Women Speak”. This initiative advocates women’s rights, and campaigns against domestic violence. Their social
campaign “Superheroes” was visible at the national level: it depicted former victims of domestic abuse as women superheroes in a series of portraits.  

- According to a study by the Civil Society Institute (CSI), the most common civil actions in Lithuania are still charity donations to individuals or organizations (43.5 percent of Lithuanians, a 12.4 percent decline from the previous year) and participation in environmental cleanups (41.1 percent, an 8.8 percent decline), but even their popularity is in decline. Apart from these two activities, only participation in local community issues (28.5 percent) is above 20 percent.

- The issue of refugees diminished in political importance through 2016. Only 19 refugees were resettled in Lithuania, although the country had committed to resettle an allotment of 1,105 refugees. LP, the only party that used the refugee issue extensively—and campaigned openly against it—did not pass the 5 percent legal threshold in parliamentary elections. According to a 2015 study, Lithuanians’ opinions on the refugee issue are almost evenly split. Forty-six percent of respondents were completely opposed to the country receiving immigrants of any kind, while 49 percent supported receiving immigrants under certain conditions, including that the immigrants should be refugees from war or persecution (i.e., not economic migrants), and should express a desire to integrate.

- The influence of openly illiberal movements and extremism in the public sphere remains minimal. There were no significant demonstrations or other acts of unconventional political activism organized by such movements throughout the year. In parliamentary elections, the Nationalist Union (NU) and Party Young Lithuania (PYL) coalition received only 0.54 percent of votes. Another nationalist—but also pro-Russian—party, the Lithuanian People’s Party, also failed to get representation in Seimas, with 1.01 percent of votes.

- On June 18, the Baltic Pride parade took place on Gediminas Avenue, one of the capital city’s main thoroughfares. Some radicals raised anti-gay banners and six people were arrested due to minor disturbances outside of the parade area. However, these attempts were rather isolated cases, and did not constitute an organized anti-gay rally. In general, the parade was peaceful and the police ensured the safety of participants.

- Even though the LGBT community in Lithuania continues to face societal and political challenges, there are signs of progress. In particular, there are some indicators of rising tolerance among the political elite. According to the voting advice application “My Voice” (based on politicians’ answers to the predesigned questionnaire) database, three of the six party leaders in the new parliament support same-sex partnership. This includes Eugenijus Gentvilas (LMRL), Saulius Skvernelis (non-partisan, but leader of the LPGU electoral list) and Gabrielius Landsbergis, leader of socially conservative HU-LCD, LSDP leader and outgoing prime minister Algirdas Butkevičius said “no”, and the leaders of OJP and EAPL refused to fill the questionnaire. However, it is not likely that HU-LCD and LPGU will legalize same-sex partnerships, since the former is lacks consensus on this issue, and the latter’s chairman, Ramūnas Karbauskis, is opposes same-sex partnerships.

### Independent Media

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- On December 8, the Lithuanian parliament adopted amendments to the Civil Code of Lithuania that could potentially enable the legal prosecution of people for expressing critical opinions. Various experts from law, journalism, and other fields expressed concern. More than a hundred journalists and editors from various media outlets showed solidarity and appealed to the president Dalia Grybauskaitė with a request to veto these amendments. Grybauskaitė subsequently vetoed the amendments, and the parliament agreed with this decision with 87 supporting the veto, and 18 voting for the reconsideration of amendments.

- On 29 February Special Intelligence Service (SIS) filed corruption charges against Gedvydas Vainauskas, the editor-in-chief of the daily newspaper Lietuvos Rytas and one of the owners of the Lietuvos Rytas media group. He is suspected of attempting to bribe Rolandas Paksas, the head of POJ and a member of the European parliament. In May, law enforcement officials additionally
alleged that the chairman of the management board at MG Baltic Media, Raimondas Kurlianski,
gave a bribe to MP Eligijus Masiulis, then-leader of LMRL. Vytautas Gapšys, MP and vice-
chairman of LP, was also suspected to been allegedly bribed by the same Kurlianski in order to
influence LP members to act in favor of MG Baltic’s interests.

• In June, the Radio and Television Commission of Lithuania (RTCL) revoked a previously
implemented decision to move the broadcasts of Russian-language TV programs including NTV Mir
Lithuania and RTR Planeta to only paid TV packages. The revocation was a result of the European
Commission’s request to follow the procedures laid out in the Audiovisual Media Service Directive
(AMSD). Despite this, in September the RTCL proposed amendments which would permit the
blocking of unregistered local and foreign TV outlets broadcasters on the internet. These
amendments were supported in the Parliamentary Committee on Education, Science and Culture and
are awaiting a decision in the Parliament.

• The Central Electoral Commission (CEC) directly interfered in the activities of news media in the
lead-up to the October parliamentary elections. An interview with the prime minister for the
National Radio and Television of Lithuania was called off due to comments from the CEC, which
considered the interview to be political advertising. The Commission also took action to recognize
some journalists’ publications as political advertising. The CEC’s actions were possibly due to the
ambiguous definitions of agitation and hidden advertising in the laws that regulate electoral
process.

• The financial sustainability of Lithuanian media sectors remains low. Advertising revenues for
television, radio, periodical press and internet media companies were 34.2 percent lower in 2016
than in 2008, before the global financial crisis. There is no new state direct or indirect subsidies’
policy—except the increased funding of the National Radio and Television of Lithuania since 2015—
that could strengthen media companies and improve the quality of media content. On the contrary,
TV broadcasters on the internet are obligated to pay annual contributions and 0.6 percent
contributions from their revenue under amendment to the Law on the Provision of Information to the
Public, operative since 1 September, 2015.

• The absence of special limitations on media concentration in Lithuania creates a favorable
environment for the formation of powerful media organizations that are also directly related to the
ownership structures of companies from other industries. MG Baltic, through the subsidiary MG
Baltic Media, controls the company Laisvai ir nepriklausomas kanalas, which operates five national
TV channels with a time share of 30 percent. It also owns Alfa Media (website Alfa.lt), and other
companies engaged in telecommunications, construction, logistic, real estate development, trade, and
the manufacture of alcoholic beverages. Ownership structure of the Lietuvos Rytas media group—a
daily, web portal, TV, and publishing house—is related to the companies engaged in the wholesale
and retail trade of perfumery, cosmetic products, and accessories, as well as to the co-partnership of
the basketball club Lietuvos rytas. Moreover, these powerful media and other business alliances
aim to become influential players in the political field. There were extraordinary cases regarding the
non-transparent relations between the representatives of important media companies and leaders of
Lithuanian political parties in 2016.

Local Democratic Governance

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• In 2015 direct mayoral elections were introduced in Lithuania, but the institutional system of
municipalities was unchanged. Some observers warned that the introduction of direct mayoral
elections could potentially create deadlocks in municipalities where the mayor and the council
majority are from different parties, as some important decisions require both the mayor and the
council. Such a deadlock happened in Raseiniai, where the political majority in the council changed
in 2016, but the mayor refused to nominate a new council manager—the chief executive post in a
municipality. The council majority appealed to the Supreme Administrative Court of Lithuania,
hoping to remove the mayor, but the court ruled that there is no legal basis for removal.

8
There are signs that some directly elected mayors could be using their direct mandate to legitimize an authoritarian style of politics, or to create (or reinforce) local political machines. The mayor of Širvintos, Živilė Pinskuvienė, received national media attention when she let go several public officials and replaced them with LP members or people close to the party. The mayor’s political allies control the only daily in Širvintos. Such a trend of “captured municipalities” is also prominent in other regions and pose a big threat for democracy at the local level.52

According to the Lithuanian public opinion research company Vilmorus, trust in municipalities was 28 percent in July: a notable decrease compared to the year before, when public trust in local government reached 35.2 percent, the highest number in a decade. However, it should also be emphasized that Lithuanians trust the national government (18.6 percent) and parliament (8.3 percent) even less.53 Decline of trust in municipalities could be a part of more general trend of falling trust in political institutions, in the context of political scandals. The comparably high level of trust in municipalities in 2015—its subsequent decrease in 2016—suggest that positive public opinion of local government may only be a short-term effect of the introduction of direct mayoral elections.

With only 60 municipalities, Lithuania remains highly centralized. The average number of people living in a given municipality is around 48,000; this indicator is one of the highest in the EU. In this regard, Lithuania is very different from another Baltic state, Estonia, which has an overly decentralized system. In 2015, Estonian institutions drew recommendations on the merger of municipalities, and were advised and that the minimum number of people living in a municipality should be 5,000.54

A limited range of functions are delegated to municipalities. There are no wider discussions by the political elite or at the level of national government about local government reform. Local governments are financially dependent on the central government, with the portion of national income tax revenue allocated to local governments slowly increasing each year: 72.8 percent in 2015, 75.49 percent in 2016 and 78.14 planned for 2017.55

Judicial Framework and Independence

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- The efficiency and effectiveness of Lithuania’s judicial system remained questionable in the previous decade. The World Economic Forum’s Global Competitiveness Report ranks Lithuania’s judicial independence only 68th among 140 countries.56 However, several significant trends could improve the Lithuania’s position in the future.
- Trust in the police has been steadily improving in the last decade, from 48 percent in 2005 to 71 percent in 2015—the highest level of trust of trust since 2004, when this indicator was first measured. Crime has decreased in recent years: 55,184 criminal activities were registered in 2016, a significant decrease if compared to 83,003 in 2014 and 69,355 in 2015.57
- In recent years, public perceptions of the judiciary consider it to be insular and opaque. Public opinion research companies reported that in 2015, for the first time in two decades, the number of people trusting the courts (25.5 percent) was higher than the number of those who tended not to trust them (25.1 percent).58 Even though the difference is not statistically significant, this modest trend was sustained in 2016, with 27.7 percent trusting and 25.2 percent not trusting the courts. These numbers could signify a trend of improvement since only 18-21 percent of respondents trusted the courts in 2013. The ratio of public trust (28.5 percent) to distrust (20.3 percent) remained positive in the case of Prosecutor General.59
- There have been some positive steps towards the improvement of Lithuanian prison conditions, which are considered overcrowded and relatively poor in comparison to international standards. There has been a constant decrease of prisoners since 2012. The latest report reveal that 6,815 persons were incarcerated at the end of 2016, which is a significant decrease from 7,355 in 2014, and 8,636 in 2014. In 2015, number of prisoners equaled to 78 percent of Lithuania’s prison capacity: a positive trend when compared to 92 percent in 2014.60
- The involvement of Special Investigation Service (SIS) in politics—specifically in the pre-electoral period—raises questions about the complete independence of this institution from political influence.
Some observers note that part of investigations launched against politicians in the past by SIS were later discontinued. It is yet to see how the investigations of 2016 (see Corruption and Independent Media) will end.

**Corruption**

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- Although Transparency International’s Corruption Perceptions Index showed an improvement in Lithuania’s score from 58 points in 2014 to 61 in 2015, in 2016 Lithuania’s score decreased to 59. This decline is not surprising, as 2016 was plagued by scandals of alleged political corruption. These scandals affected high-ranking politicians from four (LSDP, LMRL, OJP, and LP) out of six parties with a parliamentary grouping in the Seimas. According to a Transparency International Lithuania Chapter (TILC) survey of representatives from 11 out of 14 parties that participated in the 2016 parliamentary elections, the most corrupt institutions in Lithuania are municipalities, political parties, and land survey institutions.

- On 12 May, the Special Investigation Service (SIS) – a statutory institution with the main functions of detecting and investigating corruption and implementing corruption prevention measures – launched a pretrial investigation of Eligijus Masiulis, the former leader of LMRL. Masiulis was investigated under the charge of receiving a bribe from Remigijus Kurlanskis, chairman of the management board at MG Baltic Media. It was disclosed to media that the SIS were investigating Masiulis and Kurlanskis since the August 2015, and recorded how Masiulis received a €106,000 ($112,600) in cash from Kurlanskis on 10 May 2016 in a parking lot close to the Lithuanian parliament. MG Baltic Media controls five national TV channels and the web portal Alfa.lt. Masiulis immediately resigned from the leadership of LMRL after the scandal. In September, Masiulis announced that he took money for himself, as a personal loan. The investigation is ongoing and it is currently unknown whether Masiulis acted on his own accord or if other party officials had knowledge of the alleged bribery.

- Following 10 years of investigations and trials, the Court of Appeal of Lithuania reached a final verdict in a case concerning LP’s fraudulent bookkeeping. Three party officials were fined, including former leader and party founder Viktoras Uspaskichas. The appellate decision overturned an earlier judgement from the Vilnius district court in 2013, which sentenced Uspaskichas to four years. The Court of Appeal of Lithuania reasoned that LP officials mismanaged the party finances, but that there was no direct intent for the fraud. On 30 May it was reported that Vytautas Gapšys – an LP leader and one of the three LP officials fined in the trial of fraudulent book-keeping – could have received a bribe from MG Baltic Media.

- On December 30, 2015, SIS officials announced that OJP as organization was suspected of trading in influence and money laundering. In February 2016 the party’s leader, Rolandas Paksas, was questioned by SIS as a witness. It was later disclosed that he may have received a €15,000 ($15,900) bribe from Gedvydas Vainauskas, the editor-in-chief of Lithuania’s largest daily, Lietuvos Rytas, in order to influence the relevant departments of the Environment Ministry for permission to build a shopping mall.

- Political scandals continued to plague LSDP, the largest party in the governing coalition. The long-standing mayor of Druskininkai and influential (now former) member of LSDP, Ričardas Malinauskas, remained entangled in non-transparent schemes. Transcripts of conversations between him and Environment Minister Kęstutis Trečiokas were made public: they revealed that Malinauskas asked Trečiokas to issue a decree that would overturn a court decision preventing construction of the so-called Viljūnėlė Manor in Druskininkai. However, the SIS investigation was terminated following a declaration of insufficient evidence. Trečiokas stayed in his post, but the publicly discredited Malinauskas left LSDP and started his own regional political movement.

- In September, the LSDP Minister of Defense, Juozas Olekas, was criticized when it was revealed to the public that the army overpaid for kitchen equipment and utensils. The prosecutor’s office initiated an investigation regarding this matter. This scandal, and the others discussed above,
demonstrate that transparency of procurements at the national and local level remain an important issue in Lithuania.

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