



**Lithuania Country Report**  
***Report for the European Investment Bank***





## **GEOGRAPHY PROFILE**



**Capital City:** Vilnius

**Major cities:** Vilnius, Kaunas, Klaipeda, Šiauliai, Panevėžys

**Geography Location:** Eastern Europe, bordering the Baltic Sea

**Surface Area (km<sup>2</sup>):** 65,300

**Climate:** Humid Continental

## **SOCIAL AND POLITICAL PROFILE**



**Languages:**

- Lithuanian (official) 82%,
- Russian 8%,
- Polish 5.6%,
- other 4.4%

**Religions:**

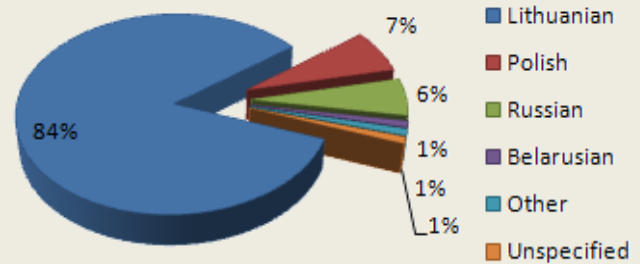
- Roman Catholic 77.2%,
- Russian Orthodox 4.1%,
- Old Believer 0.8%,
- Evangelical Lutheran 0.6%,
- Evangelical Reformist 0.2%,
- other 0.8%,
- none 6.1%; unspecified 10.1%

**Political system:** democratic parliamentary republic

**President:** Dalia Grybauskaitė (the first woman to be elected President of Lithuania)

**Prime Minister:** Algirdas Butkevičius

## **Ethnicity**



## **POPULATION INDICATORS**



**Population:** 2929 Millions

**Population Growth rate:** -1.0

**Population Density:** 46.7

**Total Fertility Rate:** 1.6

**Infant Mortality Rate** → under-5: 5.2

**Population ages 0-14 (% of tot):** 14.5

**Population ages 15-64 (% of tot):** 66.9

**Population ages 65 and above:** 18.6 %

**Urban population:** 66.5 % of total population

**Life Expectancy:** 74.1 Males; 68.5 Females



## **ECONOMIC INDICATORS**

(2014: UNCTADstat)

**GDP, current US \$:** 48171

**GDP per capita current US \$:** 16013

**GDP - real growth rate:** 2.90 %

**Unemployment rate:** 10.7 %

**Consumer Price Index (CPI):** 0.11 %

**Poverty level:** 1.5 % (2010)





## **Introduction**

The aim of this report is to contribute to the development of qualified human resources in Lithuanian education system. In particular improve higher education systems, and promote integration and collaboration in higher education.

The European Investment bank is one of the main stakeholder involved in this project. It supports projects in the EU countries, and invests in future member and partner countries through the European Investment Fund.

## **Overview**

Lithuania is the largest and most southerly of the three Baltic republics.

It acquired its independence from the European Union and NATO in 2004. Lithuania, has achieved a rapid socio-economic and political transformation since the re-establishment of its independence in 1991. Lithuania is becoming a stable democracy implementing a market economy and reforms in various sectors of its economic activities.

## **1. Lithuania Education System**

Education is certainly one of the most important sectors of the nation's interests and defines the future of each nations.

The Lithuanian education system is implemented at 7 levels, which are equivalent to the ISCED classification system. Education institutions can be state or non-state. According to the Lithuanian Constitution, education is compulsory until the age of 16 (ISCED levels 1 and 2).



The three levels of Lithuanian education include: comprehensive (from 7 to 16 years of age), education (from 16 to 18), and higher education.

### **1.2 Focus on Higher Education LEVEL 6 (ISCED 5)**

There are two types of higher education institutions in Lithuania:

- universities, which represent university sector of higher education;
- colleges of higher education which represent non-university higher education sector.

University studies are undergraduate studies (first cycle), Master studies and specialized professional studies (second cycle), doctoral studies, post-graduate art studies, residency studies (third cycle).

The university studies that encompass the first and the second cycle are called integrated studies. Non-university studies are undergraduate professional studies focused on practical activities.





### **1.3 Current situation about Education system in Lithuania**

Lithuania's government expenditure on education, both as a share of GDP (5.6%) and as a percentage of total government expenditure (15.7%), is above the EU average.

Lithuania's higher education attainment rate in the 30-34 age group (53.3% in 2014) is the highest in the EU (EU average is 37.9%).

Women (62.7%) are more than men (44%) in having completed tertiary education.

The proportion of graduates obtaining a degree in maths, science or technology stays stable and is around the EU average (22.1% compared to 22.8%).

The employment rates of recent graduates from tertiary education was higher than the EU average in 2014 (87.2% compared to 80.5%) and is increasing.

At the same time, the total number of students at higher level decreased by 16%.

The absolute number of new entrants to professionally oriented first-cycle tertiary programmes fell by 25.7%.

In first and second cycle academic programmes, the figure dropped by 34%, in particular among people aged 20 and above and there was a 31% drop in doctoral studies. 43% more Lithuanian students studied abroad in 2012 than in the previous year (5.8% in 2011 and 8.3% in 2012). At the same time, Lithuania is not attracting foreign foreign students: only 0.2% of all tertiary students were foreigners in 2013, the lowest proportion in the EU .

1.2% of bachelor graduates and 2.2% of master graduates are inbound mobile students. Most of them completed their prior studies in Europe outside the EU.

<b>Early leavers in education (20-24)</b>	<b>5,90%</b>
<b>People completed upper secondary (20-24)</b>	<b>65,80%</b>
<b>Tertiary education attainment (30-34)</b>	<b>53,30%</b>
<b>Unemployment rate (25-64) ISCED 0-2</b>	<b>13,20%</b>
<b>Unemployment rate (25-64) ISCED 3-4</b>	<b>9,20%</b>
<b>Unemployment rate (25-64) ISCED tertiary education</b>	<b>5,80%</b>
<b>Public Expenditure on education as a percentage in GDP</b>	<b>5,60%</b>
<b>Public expenditure on education as a share of total public expenditure</b>	<b>15,70%</b>
<b>Unemployment rates 25-64 with levels 3-4 education</b>	<b>13,2 %</b>
<b>Unemployment rates of the population aged 25-64 with tertiary education</b>	<b>3,7 %</b>



## **2. Opportunities and challenges**

Lithuania is scoring very well on its Europe 2020 education targets, however the challenge to ensure sufficient skills supply in the future in the context of shrinking working age population remains.

Schools have an above-average rate of low achievers in basic skills .

The most important factors contributing to low school outcomes are the quality of teaching and the limited use of new innovative teaching methods and information and communication technologies (ICT).

At the same time, skills acquired in secondary and higher education often do not meet the needs of the labor market.

Underachievement in reading and maths is high and participation in initial vocational education and training relatively low.

Only a small percentage of adults participate in learning.



## **3. Why invest in Education ?**

Inefficiency in the higher education system has been reflected in the labor market with employers competing for every student with programming, engineering skills, while those with degrees in social sciences and humanities face risk of becoming unemployed.

Quality in education is a key element to deal with the economic and social development, to reduce social inequalities and to increase social well-being.

The main factors that allow to compete in the labor market are education, professional qualification, additional professional skills such as good knowledge of foreign languages, computer literacy, entrepreneurial skills, and communication skills. Comparing the unemployment rate of individuals with higher educations to that of uneducated individuals shows that acquiring of higher education can help to find a job and to adapt to labor market. Investments in higher education benefit everyone creating businesses and jobs, and stimulating culture.

Invest in the education sector means to remain competitive in the global market by supporting great business innovation.

### **3. Conclusions**

***“We have to take care of the quality of the higher education immediately, otherwise in the future we will have an illiterate country with higher education”***  
***Dalia Grybauskaite***

Higher education has the primary role to ensure the country’s cultural and economic wealth, to support individual’s life and to satisfy the desire for knowledge. Nowadays, is very important to develop professional competences of teachers and improve teaching/learning conditions , for example by encouraging active learning cooperation between teachers at school and between schools.

Implementation of ICT is one of the key priorities of Lithuanian educational system, not only in the sense of modernization, but because it represents effective ways in order to teaching and learning.

Improvement in educational achievements of students attending higher education through better learning conditions and innovation system is a one of the main reason that can incentive and encourage the European Investment bank to invest in this sector.

It could be very useful creates some partnership between higher education system and socio-professional sectors in order to create some tied between higher education and the labor market.

In fact is important make higher education programmes more significant to the labor market by promoting cooperation on study development with social partners and by helping employers to offer more work-based learning opportunities to students in tertiary education.

The contribution of higher education to jobs and growth, can be increased through an effective links between education , research , and innovation the three sides of the ‘knowledge triangle’.



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