
Declaration on the First Year of Business

We, the undersigned business supervisory institutions (hereinafter referred to as supervisory institutions), represented by the supervisory institution heads, in seeking to increase the state's competitiveness, improve the business environment and business supervision functions, encourage job creation and retention, and decrease the administrative burden on businesses and residents, having determined that businesses starting operations need methodological assistance and consultation and that supervisory institutions are competent to provide such assistance, in seeking to help new businesses operate successfully in a competitive environment, noting that the most important supervisory task is ensuring adherence to acts of law and that fines and other sanctions are only one means toward this end, rather than an end in itself, recognizing that fines are not the most suitable means to apply to new businesses, especially small ones,

obligate ourselves:

- ✓ to refrain from applying punitive measures (fines, restrictions on activity, and so forth) during the first year of a business (no less than twelve months from the moment when the business—natural person, legal entity, or other organisation or a subsidiary of a legal entity or other organisation undertaking legally regulated economic activity within the territory of the Republic of Lithuania—or its activity has come under the supervision of a supervisory institution) and, upon identifying a violation, to first determine a reasonable deadline to correct the violation, which can be extended in the event of objective circumstances;
- ✓ to devote resources for consultation and provide with methodological assistance to businesses during their first year of operations (for example, contacting a new business and offering consultations services, arranging advisory seminars, replying to businesses' inquiries and requests, etc.).

Appreciating that acts of law grant supervisory institutions the right to apply punitive measures and without restricting the discretion of supervisory institutions to apply them through this declaration, we jointly obligate ourselves to apply punitive measures to businesses during their first year of operations only in exceptional cases, as a last resort, upon evaluation whether adherence to acts of law cannot be ensured by other means (for example, by issuing an order or by consulting), and only when they are necessary and unavoidable in seeking to prevent harm to society, the interests of other persons, or the environment when such harm or danger is of great significance.

The Declaration is signed by:

1. Environmental Protection Agency
2. Regional Environmental Protection Departments (in Marijampolė, Utena, Alytus, Panevėžys, Šiauliai, Klaipėda, Kaunas, Vilnius) of the Ministry of Environment of the Republic of Lithuania
3. Lithuanian Geological Survey under the Ministry of Environment of the Republic of Lithuania
4. Lithuanian Hydrometeorological Service under the Ministry of Environment of the Republic of Lithuania
5. National Land Service under the Ministry of Agriculture of the Republic of Lithuania
6. Lithuanian State Forest Service
7. Communications Regulatory Authority of the Republic of Lithuania
8. State Energy Inspectorate under the Ministry of Energy of the Republic of Lithuania
9. Insurance Supervisory Commission of the Republic of Lithuania
10. Lithuanian Securities Commission
11. Ministry of Education and Science of the Republic of Lithuania (Department of General and Vocational Education, Department of Higher Education, Science and Technology of the Ministry of Education and Science)
12. State Language Inspectorate
13. Office of the Inspector of Journalist Ethics
14. Radio and Television Commission of Lithuania
15. Customs Department under the Ministry of Finance of the Republic of Lithuania
16. State Tax Inspectorate under the Ministry of Finance of the Republic of Lithuania
17. State Social Insurance Fund Board under the Ministry of Social Security and Labour of the Republic of Lithuania
18. Institute of Hygiene
19. Centre for Health Education and Disease Prevention
20. Ministry of Health of the Republic of Lithuania and regional public health centres
21. Lithuanian Metrology Inspectorate
22. Weaponry Fund of the Republic of Lithuania under the Ministry of the Interior of the Republic of Lithuania
23. Service of Technological Security of State Documents under the Ministry of Finance of the Republic of Lithuania
24. Lithuanian Assay Chamber
25. State Data Protection Inspectorate
26. State Animal Breeding Supervision Service under the Ministry of Agriculture of the Republic of Lithuania
27. Gaming Control Authority under the Ministry of Finance of the Republic of Lithuania
28. State Food and Veterinary Service
29. Lithuanian Metrology Service
30. State Non-Food Products Inspectorate under the Ministry of Economy of the Republic of Lithuania
31. State Plant Service under the Ministry of Agriculture of the Republic of Lithuania
32. State Consumer Rights Protection Authority
33. State Department of Tourism under the Ministry of Economy of the Republic of Lithuania

34. Fisheries Service under the Ministry of Agriculture of the Republic of Lithuania
35. Lithuanian Road Administration under the Ministry of Transport and Communications of the Republic of Lithuania
36. Lithuanian Labour Exchange under the Ministry of Social Security and Labour of the Republic of Lithuania
37. Lithuanian Maritime Safety Administration
38. Fire and Rescue Department under the Ministry of the Interior of the Republic of Lithuania
39. State Nuclear Power Safety Inspectorate
40. State Labour Inspectorate under the Ministry of Social Security and Labour of the Republic of Lithuania
41. State Railway Inspectorate under the Ministry of Transport and Communications of the Republic of Lithuania
42. State Road Transport Inspectorate under the Ministry of Transport and Communications of the Republic of Lithuania
43. State Territorial Planning and Construction Inspectorate under the Ministry of Environment of the Republic of Lithuania

Recommendations to business supervisory authorities for the implementation of the Declaration on the First Year of Business:

- ❖ Publish the Declaration on a website dedicated to supervision of economic entities.
- ❖ Submit the Declaration to the supervised entities in their first year of operation.
- ❖ Organise meetings and seminars for the heads of territorial units of supervisory authorities and inspectors for proper implementation of the Declaration.
- ❖ Include provisions on the exclusion of sanctions to newly established companies in the inspectors' job descriptions.
- ❖ Along with the Declaration, provide economic entities with contact details for any issues relating to the authority's supervision area.
- ❖ Define exceptional cases where sanctions may be applicable in the internal legislation of the authority.