



REGIJA BORENIUS

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1. LABOUR LAW

On 5 January 2010, the Law amending Articles 87 and 88, repealing Article 90 and supplementing the Annex to the Labour Code (hereinafter referred to as the Law) came into effect.

The Law removed the inconsistency between the Labour Code and Directive 2006/123/EC of the European Parliament and of the Council on services in the internal market (hereinafter referred to as the Services Directive). In addition, the Private Employment Agencies Convention of the International Labour Organization ratified by the Law on the Ratification of the Private Employment Agencies Convention of the Republic of Lithuania was implemented.

According to the Law, the activities of intermediaries recruiting Lithuanian citizens for work abroad are not subject to any licensing, and recruitment services to jobseekers are provided, free of charge, by:

- 1) Lithuanian Labour Exchange under the Ministry of Social Security and Labour;
- 2) Legal entities incorporated in the Republic of Lithuania or their branches the incorporation documents of which indicate the provision of recruitment services as the purpose of their activities;
- 3) Legal entities or other organisations incorporated in a Member State or their branches incorporated in the Republic of Lithuania or in another Member State having this right conferred on them by the legislation of such Member State;
- 4) Nationals of the Republic of Lithuania or of another Member State, other natural persons who benefit from the rights to free movement around the Member States conferred upon them by the legislation of the European Union and who are engaged in such activities.

Please note that the Law amends the concept of employment respectively.

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2.. INSURANCE LAW

On 28 December 2009 the Law amending and supplementing Articles 4, 39, 55(2), 55(10), 172(1), 187, 197 and 198 of the Law on Insurance (hereinafter referred to as the Law) came into effect.

The Law redistributes the financial burden imposed on insurance companies incorporated, i. e., it provides that payments for the supervision by the Insurance Supervisory Commission shall be made not only by insurance companies and Lithuanian branches of foreign (other than from the EU states) insurance companies, but also by reinsurance companies, Lithuanian branches of insurance and reinsurance companies from other EU Member States and Lithuanian branches of foreign reinsurance companies. Certain inaccuracies detected in the course of the application of the Law on Insurance have also been corrected.



3. REAL ESTATE LAW

On 19 November 2009, the Parliament of the Republic of Lithuania (Seimas) adopted Law No. XI-501 amending Articles 12, 14, 15, 16, 22, 23, 23-1, 25, 27, 28, 32, 33, 34, 35 and 42 of the Law on Construction of the Republic of Lithuania and supplementing it with Article 45 (hereinafter referred to as the Law), which came into effect as from 1 January 2010.

The Law provides for the centralisation of the State supervision of construction and for the establishment of territorial units of the State Territorial Planning and Construction Inspectorate directly subordinate to it instead of the units of the county administrations exercising the State supervision of construction.

The Law also provides for the elimination of the possibility for one entity of public administration (State Territorial Planning and Construction Inspectorate under the Ministry of the Environment) to suspend an administrative act/construction permit issued by another entity of public administration (the administration of a municipality). A decision on the suspension of an administrative act may be taken only by the entity of public administration having issued the act or by the court.



4. TRADE LAW

On 15 December 2009, the Parliament of the Republic of Lithuania adopted Law No. XI-570 on Services of the Republic of Lithuania (hereinafter referred to as the Law), which came into effect on 28 December 2009.

The Law is aimed at transposing into the national law Directive 2006/123/EC of the European Parliament and of the Council of 12 December 2006 on services in the internal market (hereinafter referred to as the Services Directive) aimed at

creating a legal framework to ensure the freedom of establishment and the free movement of services between the Member States of the European Union.

The Law provides for the conditions for the implementation of the freedom of establishment, the freedom to provide services and the freedom of economic activities involving the provision of services, it also provides preconditions for ensuring the high quality of services, sets forth the principles for the exercise of these freedoms as well as the measures of administrative facilitation in the Republic of Lithuania and the system of the administrative cooperation between the competent authorities of the Republic of Lithuania and the competent authorities of the Member States and the European Commission in order to ensure the effective implementation of the freedom of establishment, the freedom to provide services and the freedom of economic activities involving the provision of services.

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5. COMPETITION LAW

On 22 December 2009, the Parliament of the Republic of Lithuania adopted Law on Prohibition of Unfair Practices by Retail Companies of the Republic of Lithuania No. XI-626 (hereinafter referred to as the Law), which came into effect as from 1 April 2010 (Article 15(2) came into effect as from 5 January 2010).

The Law was drafted following the Concept of the Law on Prohibition of Unfair Practices by Retail Companies of the Republic of Lithuania approved by the Parliament of the Republic of Lithuania by Resolution No. XI-191 of 12 March 2009, Official Gazette *Valstybės žinios*, 2009, No. 30-1165.

The purpose of the Law is to restrict the exercise of market power by retail companies having significant market power and to ensure the balance of the interests of suppliers and retail companies having significant market power. It should be noted that the Law defines a retail company having significant market power as an entity engaged in retail trade in non-specialised stores mostly selling food, beverages and tobacco which alone or together with related entities engaged in retail trade in non-specialised stores mostly selling food, beverages and tobacco satisfies the following requirements:

- 1) Of all the stores possessed in the Republic of Lithuania at least 20 stores have the sales area of at least 400 sq m;
- 2) The aggregate income in the latter financial year amounts to at least LTL 400 million. If a retail company is a foreign entity, its aggregate income would be calculated as the amount of income generated in Lithuania.

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This edition includes the review of legal acts that is of a general informative character and may not be treated as a legal advice, conclusion or consultation.

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