



EUROPEAN PARLIAMENT

DIRECTORATE-GENERAL FOR RESEARCH
DIRECTORATE A
DIVISION FOR INTERNATIONAL AND CONSTITUTIONAL AFFAIRS

FACTSHEET

LITHUANIA

Chapter 2 - Freedom of movement for persons

1. The *acquis* ¹

The *acquis* covers the four broad areas of mutual recognition of professional qualifications, citizens' rights, free movement of workers and coordination of social security schemes:

- In the politically sensitive area of **free movement of workers** the EU took the initiative of itself proposing a transitional measure for all the candidates except Cyprus and Malta. This involves the present system of work permits being maintained for a number of years after accession with a gradual transition towards free movement as was the case in previous enlargements in respect of certain other new Member States.
- As regards **mutual recognition of professional qualifications**, a particular problem in respect of some countries has been how to treat qualifications of citizens of candidate countries who hold qualifications from third countries because they completed their education at a time when certain candidate countries were part of the Soviet Union or Yugoslavia. The notion of a declaration of equivalence issued by the relevant bodies in the candidate countries together with an attestation in respect of the specific holder of a qualification is central to the approach adopted by the EU, as are tough monitoring provisions, in particular for the sectoral directives .
- In the area of **citizens' rights**, implementation of the directives on voting rights may require constitutional amendments in some countries and alignment with the *acquis* on residence rights will only be fully possible on accession.
- **Coordination of social security** is governed by regulations which will be directly applicable upon accession. The main challenge here is one of administrative structures and

¹ Information largely drawn from the European Commission, DG Enlargement
<http://europa.eu.int/comm/enlargement/negotiations/index.htm>

For a guide to free movement for persons in an enlarged Union see the European Commission's enlargement website

capacity. Candidate countries have acquired some experience in implementing existing bilateral agreements with Member States.

2. The negotiations

The chapter has been closed with ten countries and provisionally closed with Bulgaria, while it remains open with Romania. Concerns about the risk of disturbances to the labour market in certain Member States and the potential impact on public opinion led the EU to request a transition period for free movement of workers in respect of all the negotiating countries except Cyprus and Malta. A seven-year safeguard clause has been agreed with Malta allowing it to have recourse to Community institutions if difficulties arise on its labour market following accession.

Chapter opened: June 2001

Status: closed in December 2002 (provisionally closed in November 2001)

Transitional arrangements:

For all countries except Cyprus and Malta, a common approach has been put forward. The essential components of the transitional arrangement are as follows:

- a two year period during which national measures will be applied by current Member States to new Member States. Depending on how liberal these national measures are, they may result in full labour market access.
- following this period, reviews will be held, one automatic review before the end of the second year and a further review at the request of the new Member States.
- the transitional period should come to an end after five years, but it may be prolonged for a further two years in those Member States where there are serious disturbances of the labour market or a threat of such disruption.
- safeguards may be applied by Member States up to the end of the seventh year.

The transitional arrangement also includes a number of other important aspects, such as a standstill clause, whereby current Member State labour markets cannot be more restricted than that prevailing at the same time of the signature of the Accession Treaty. Also current Member States must give preference to candidate country nationals over non-EU labour.

A declaration will be attached to the Accession Treaty stating that current Member States shall endeavour to grant increased labour market access under national law, with a view to speeding up the approximation to the *acquis* and even an encouragement to improve access before accession.

Austria and Germany have the right to apply flanking national measures to address serious disturbances or the threat thereof, in specific sensitive service sectors on their labour markets, which could arise in certain regions from cross-border provision of services.

Under the transitional arrangement, the rights of nationals from new Member States who are already legally resident and employed in a Member State are protected. The rights of family members are also taken into account consistent with the practice in the case of previous accessions.

Nine countries, including Lithuania, have accepted this arrangement with some minor adaptations. The solution is identical: reciprocity vis-à-vis current Member States and the

possibility of applying safeguards against new Member States once at least one new Member State is subject to national measures, as well as a statement to be made at the Accession Conference that Members States will endeavour to grant increased labour market access to nationals of these countries.

3. Latest assessment of the European Commission ¹

In its 1997 Opinion, the Commission concluded that the necessary structures were in place but that it was hard to assess their real effect and enforcement. It added that, from a technical point of view, adaptations of the regulations with regard to free movement of persons were feasible in the medium term.

Since the Opinion, Lithuania has made progress in aligning with the *acquis* in this area and has increased administrative capacity, including with regard to the mutual recognition of qualifications. The process of bringing Lithuania's legislation and structures in relation of free movement of persons into line with the *acquis* has developed satisfactorily. Lithuania has reached a reasonable level of alignment. Administrative structures are in place but are not yet operating satisfactorily.

Negotiations on this chapter have been provisionally closed. Lithuania has not requested any transitional arrangement in this area. Lithuania has agreed to a transitional arrangement in respect of free movement of workers put forward by the EU. Restrictions on the movement of workers from Lithuania to the EU will apply for a minimum two-year period as of the date of accession and may remain in force for a maximum of seven years. Lithuania is generally meeting the commitments it has made in the accession negotiations in this field.

In order to complete preparations for membership, Lithuania's efforts now need to focus on the adoption of outstanding legislation in sectoral professional areas, addressing shortcomings in curricula and training and on ensuring appropriate administrative capacity with a view to the future co-ordination of social security systems.

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¹ European Commission, Regular Report on Lithuania 2002, pp. 54 & 55:
http://www.europa.eu.int/comm/enlargement/report2002/lt_en.pdf