Responding to the Coronavirus Crisis
Update on Lithuania (18/05/20)

EBRD Policy Comparator

<table>
<thead>
<tr>
<th>Financial Sector</th>
<th>Direct support to firms</th>
<th>Payment holidays</th>
<th>Temporary controls</th>
<th>Support to individuals</th>
<th>Increased social benefits</th>
<th>Health</th>
<th>External Assistance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Policy rate reduced</td>
<td>Liquidity increased</td>
<td>Prudential req. loosened</td>
<td>Wage</td>
<td>Wage subsidies</td>
<td>Loan</td>
<td>Guaranties</td>
<td>Inspections/ audits suspended</td>
</tr>
<tr>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
</tr>
</tbody>
</table>

Economic channels of disruption
Retail services and global value chains
- Easing lockdown (reopening of shopping malls, restaurants, public meetings are partially allowed).
- Freedom of movement within Baltic states is fully restored; EU citizens allowed to enter, but need to comply with a 14-day quarantine.
- Retail services, such as retail trade, transport, accommodation and food services, account for 32% of GDP.
- Disruptions in global value chains affect manufacturing in Lithuania, as about 25% of production inputs need to be sourced abroad.

Selected crisis impact indicators
EBRD GDP growth outlook (May 2020)
- 2020: -7%
- 2021: 5%
Economic sentiment
- April ESI 81.9
- (April 2020): (down 21.2 points m/m)
Employment expectations
- April EEI 87.9
- (April 2020): (down 14.8 points m/m)
OMX Vilnius stock market
- 695.1
- (end-April 2020) (up 15.0% m/m)

Crisis response measures to date
Support for employment and business liquidity
- State guarantees on loans have been increased, such as through INVEGA, a national financial institution promoting funding for business.
- Eligible for ECB’s Pandemic Emergency Purchase Programme of EUR 750 billion.
- A law to regulate prices of essential goods and services was approved.
- Deferrals extended for income tax, utility bills and mortgage payments.

Selected crisis response indicators
Total value of direct support to firms EUR 2.4 billion (5% of GDP)
Wage subsidies up to 70% of avg. wage
Loan subsidies/guarantees EUR 1 billion
Compensation for losses of cultural sector EUR 4.5 million
Enhanced sick leave 14 days
Compensation to self-employed EUR 257 monthly for up to three months
Financial Sector Lowered countercyclical capital buffers to 0%

Key short-term priorities
Provide liquidity to the economy, particularly SMEs, and revenue support to vulnerable workers and other individuals

To learn more about EBRD’s support to Lithuania visit: [https://www.ebrd.com/lithuania.html](https://www.ebrd.com/lithuania.html)
Media enquires: Axel Reiserer, axel.reiserer@ebrd.com