

Immigration Law News in Lithuania

Overview

21 October 2014

Dear All,

Please be informed that on 1 November 2014 the amendments to the Law on Legal Status of Foreigners in Lithuania (the "Law") will come into effect. The amendments include new procedure for the issue of temporary residence permits for foreigners (other than EU/EEA nationals) arriving for business purposes, a preferential regime for highly qualified specialists, etc. Below you will find a brief overview of the key amendments to the Law.

Residence permit for business purposes

In addition to other grounds, a foreigner arriving to Lithuania for business purposes will be issued with a temporary residence permit (the "residence permit") provided that the below requirements are met:

- (i) **A company established in Lithuania (the "Company") meets all the following requirements:**
- the Company's equity amounts to at least LTL 100,000 (c.a. EUR 29,000) and the investment of the foreigner is not lower than LTL 50,000 (c.a. EUR 14,500); and
 - the Company conducts activities in Lithuania for at least 6 months; and
 - the Company employs 3 or more full-time employees, who are Lithuanian citizens or permanent residents of Lithuania.
- (ii) **A foreigner meets at least one of the following requirements:**
- a foreigner is a shareholder of the referred Company and he/she is a Managing Director, a member of the Management/Supervisory Board, or a shareholder, who is authorized to represent the Company; or
 - a foreigner holds not less than 1/3 of shares in the Company; or
 - a foreigner is a Managing Director of the Company, Management or Supervisory Board member and the main purpose of his/her arrival is employment (work) in the Company; or
 - a foreigner is exempted from the obligation to obtain a work permit (presumably, the regulations establishing the list of these exemptions will be modified).

Residence permits for business purposes will be issued for **1 year** and renewed for **2 years**.

A foreigner may obtain a residence permit for 3-year period if he/she has invested at least LTL 900,000 (c.a. EUR 260,700) into the equity of the Company and at least 5 full-time employees are employed. In this case, restrictions on family reunification do not apply (as a rule, family members non EU/EEA nationals may arrive to reside in Lithuania after 2 years of foreigner's legal stay in Lithuania).

Highly qualified specialists

A foreigner arriving to work as a highly qualified specialist in Lithuania is issued with a residence permit ("Blue Card") if the following requirements are met:

- (i) an employer hires a foreigner for at least **one year period** and pays a monthly salary not less than 2 average gross salaries in Lithuania (i.e. not less than LTL 4,712, c.a. EUR 1,365);
- (ii) Lithuanian Work Exchange issues a decision that foreigner's work meets the requirements of Lithuanian labour market, except for the cases when:
 - a monthly salary of the employee is not lower than 3 average gross salaries (i.e. not less than LTL 7,068, c.a. EUR 2,050);
 - the employee, which has been employed in Lithuania for 2 years, apply for renewal of the residence permit;
- (iii) a foreigner submits a document certifying his/her higher education/professional qualification – diploma (when diplomas are issued abroad, they are subject to academic recognition procedure performed by the Centre for Quality Assessment in Higher Education of Lithuania), etc.

Residence permits for highly qualified specialists will be issued and renewed for **3 years** (unless the employment contract is concluded for a shorter period).

Family reunification

As a general rule, foreigner's family members (non EU/EEA nationals) may arrive to reside with a foreigner in Lithuania after 2 years of his/her legal stay in Lithuania. Following the Law, a list of grounds for family reunification has been extended and, in addition to other cases, the said restriction shall not apply where:

- (i) a foreigner is seconded to Lithuania for no longer than 3 years period to work at Lithuanian registered branch, representative office or a company belonging to the same group of companies as a specialist whose specific skills/knowledge or high professional qualification is needed for activities of the said Lithuanian entity; prior to arrival to Lithuania, a foreigner has worked for not less than 1 year in the seconding company and during his/her stay in Lithuania his/her monthly salary will be not lower than 2 average gross salaries (i.e. not less than LTL 4,712, c.a. EUR 1,365);
- (ii) a foreigner is a shareholder of the Company (described in Section "Residence Permit for Business Purposes" above) and he/she has invested at least LTL 900,000 (c.a. EUR 260,700) into the equity of the Company, as well as at least 5 full-time employees are employed.

Other amendments

Other amendments include:

- (i) minimum requirements for a place of residence in Lithuania, i.e. residential space for an adult should be at least 7 square meters;
- (ii) a fictional company concept: in brief, the company is considered to be fictitious if it has been registered with the main purpose to obtain a residence permit(s);
- (iii) an extended list of grounds for rejection of residence permit application (e.g. when it is determined that the company is fictitious, a foreigner has certain tax arrears for the budget, etc.).

Entry into effect of the amendments

Amendments to the Law come into effect from 1 November 2014, however:

- (i) applications to issue/renew residence permits submitted until 1 November 2014 will be processed following the wording of the Law effective until 1 November 2014 (the "current Law"); in such cases, residence permits in Lithuania will be issued/renewed for the time period established by the current Law;
- (ii) if a foreigner is issued with a residence permit for business purposes based on Article 45(1) and Article 45(2) of the current Law, i.e. based on the facts that:
 - a foreigner is a Managing Director or an authorized representative of the Lithuanian company; or

- a foreigner has registered a company in Lithuania with the value of his/her shareholding being not less than LTL 50,000;

then the application to renew the residence permit submitted until 1 May 2015 will be processed according to the current Law. Such residence permits will be renewed for the period stated in the current Law and after its termination – under the national legislation in force at that time.

Note: this overview has been prepared on the basis of Law on Amendments to the Law On Legal Status of Foreigners No. XII-965 adopted on 26 June 2014. As the Lithuanian law and practice are relatively new and with little existing precedent, it is necessary to understand that our advice is provided in an environment where the laws and their interpretation can change.

This overview shall not be submitted to any institution for any purpose or quoted or referred to in any public document or filed anywhere without our written express consent. For more information please contact:

Mr. Tomas Davidonis
Senior Manager, Attorney at Law
Tel: +370 5 255 3075
E-mail: tdavidonis@deloittece.com

Ms. Jurgita Bliznikienė
Manager
Tel: +370 5 255 3040
E-mail: jbliznikiene@deloittece.com

[Deloitte.lt](#) | [Security](#) | [Legal](#) | [Privacy](#)

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee (“DTTL”), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as “Deloitte Global”) does not provide services to clients. Please see www.deloitte.com/lt/about for a more detailed description of DTTL and its member firms.

© 2014 Deloitte Lietuva