

Invest
Lithuania

The
Manufacturing
Landscape
of Lithuania

／ 2019

Presence of manufacturing companies in Lithuania

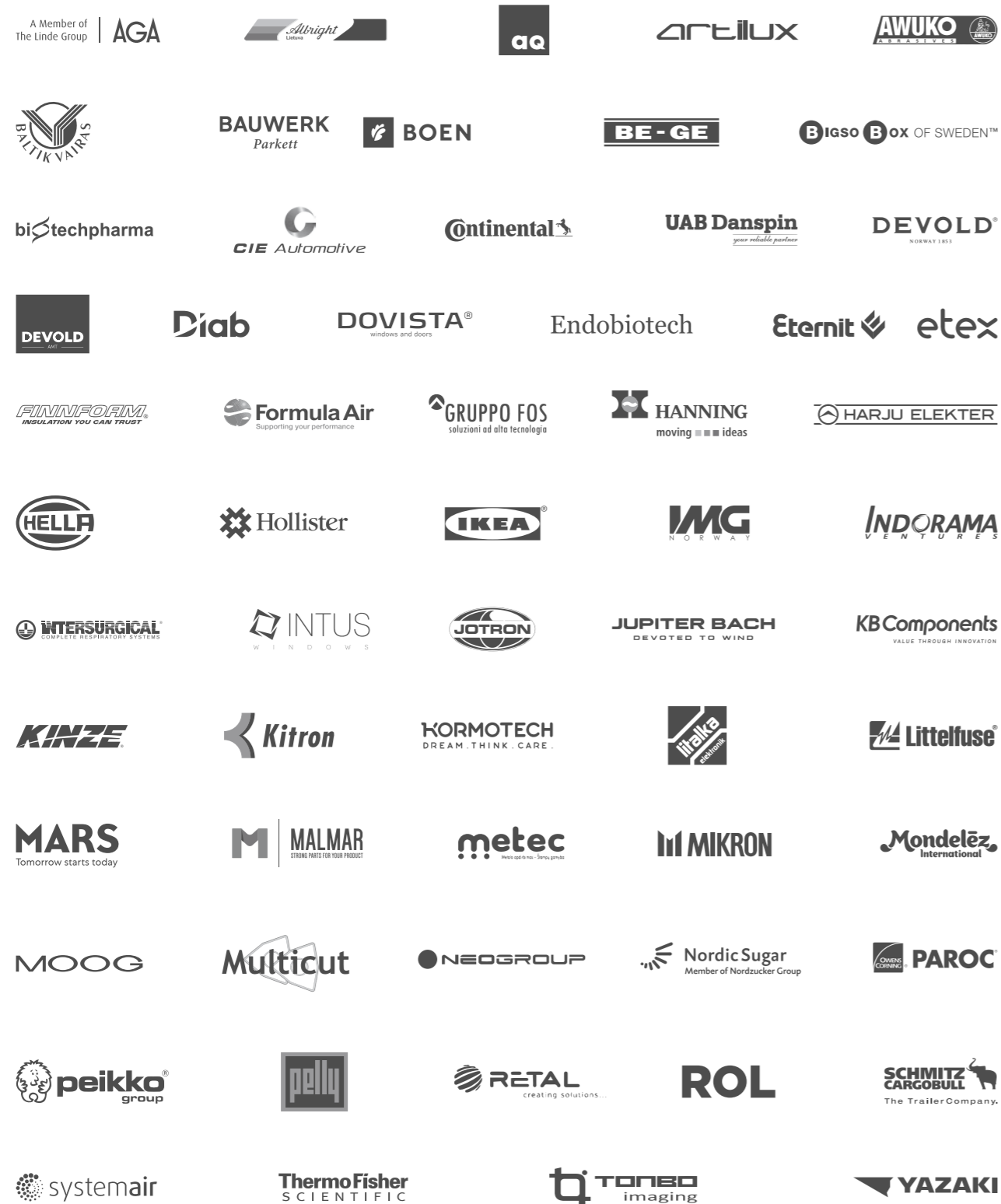


Table of contents

| | |
|---|----|
| EXECUTIVE SUMMARY | 4 |
| ABOUT THE SURVEY | 4 |
| INDUSTRY OVERVIEW | 5 |
| Facts and figures | 6 |
| Locations for manufacturing | 8 |
| Saturation | 10 |
| Sector overview | 11 |
| Sector growth | 12 |
| Government support | 13 |
| Business-oriented government | 14 |
| SURVEY FINDINGS | 15 |
| Top reasons for investing | 16 |
| Operations | 17 |
| Talent pool | 18 |
| Typical employee profile | 18 |
| Diversity | 19 |
| Languages | 19 |
| Distance employees commute to work | 20 |
| Breakdown of employees by skill level | 20 |
| Training | 21 |
| Cooperation with educational institutions | 22 |
| ADDITIONAL INFORMATION | 23 |
| Wages in the manufacturing sector | 24 |
| Work in Lithuania | 27 |

Executive summary

Dear Reader,

It is our great pleasure to present the second edition of the Manufacturing Landscape in Lithuania Report, which attempts to capture the complex and diverse industry of our local FDI manufacturing community.

The manufacturing landscape has been experiencing steady growth combined with increasing complexity. In 2018, the number of FDI manufacturing projects in Lithuania grew by 27%. In comparison to 2010, average capital investment per project in 2018 has doubled, whereas the average number of jobs created has increased more than 4 times. Out of the companies surveyed, 51% conduct at least 2 different types of operations, and 3% of all the specialists employed in manufacturing now work for R&D departments. Lithuania is seen as an attractive location for innovations too, as 56% of companies surveyed would consider establishing R&D functions in their Lithuanian plant.

Despite this growth, in comparison to traditional manufacturing markets, Lithuania remains an unsaturated location. This means that there is still much potential that remains untapped. The survey revealed, moreover, that companies value

employees for a number of reasons. In particular, they drew attention to their aptitude for learning quickly, their cultural compatibility, and eagerness to outperform and stand out. As the whole world fights for talent, Lithuania has raised a generation that is able to work in a number of foreign languages professionally, with English almost as prominent as Lithuanian within the companies surveyed. English is spoken in 98% of the companies surveyed.

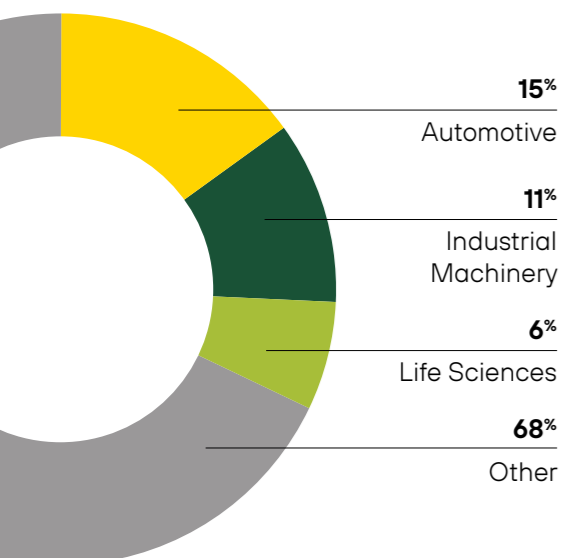
What is more, with 97% of respondents reporting that they have close cooperation with universities, we can see that partnerships between education and industry are being leveraged to create top talent. This collaboration also fosters innovation and technological advancement in the manufacturing sector.

We trust that this report will shed some light on the foreign-capital funded manufacturing landscape in Lithuania as well as provide insights into our business-friendly and forward-thinking business environment.

On behalf of the whole Manufacturing Team at Invest Lithuania, I wish you an interesting and informative read.

Gediminas Koryzna,
Director of Business Development
Department

Distribution of
respondents by
industry:



About the survey

The survey was carried out during April and May 2019 by Invest Lithuania. Its goal was to collect feedback on a number of key topics including an industry overview, the attractiveness of the investment climate, the labour market, the educational system and its importance to the companies involved in the sector, and the current state of the infrastructure available.

47 companies employing over 12,000 professionals in their production operations participated in the survey, which represents ¼ of the total FDI manufacturing labour pool in Lithuania.

INDUSTRY

First, looking overall, Lithuania's diverse community of manufacturers is spread across the country. Each region over the past years has developed its own identity, offering specific industrial competences. Therefore, the industry overview part comprehensively analyses each county and the saturation levels of the FDI manufacturing companies present.

Second, the industry overview analyzes the data of FDI manufacturing companies which have chosen Lithuania for their manufacturing operations during the past 8 years in terms of their origin countries and new FDI manufacturing projects per year.

The third part of the report presents the government support available to set up manufacturing operations in the country, and recent changes that have been implemented to improve ease of doing business in Lithuania for both local and foreign companies.

OVERVIEW

Facts and figures

#2

Lithuania ranks as the second most attractive location for manufacturers globally according to the Manufacturing Risk Index 2018 report published by Cushman & Wakefield.¹

This report examines a range of risk and cost factors, including political and economic risk as well as labour costs. Lithuania is the only European

country to feature in the Top 5, alongside China (1st), Malaysia (3rd), Taiwan (4th) and Canada (5th).

#11

The World Bank ranks Lithuania as the 11th most business-friendly country in the world, ahead of such countries as Germany (ranked 22nd), Ireland (24th) and Switzerland (36th).²

The Doing Business ranking is calculated by measuring regulations affecting 11 areas of the life of businesses in 190 economies. Within the areas deemed extremely important for greenfield investment

projects, Lithuania stands out as a business-oriented economy, evaluated 4th in registering property, 10th in dealing with construction permits and 15th in getting electricity subrankings.

Source 1: Cushman & Wakefield, Manufacturing Risk Index, 2018
Source 2: Doing Business 2020, World Bank, 2019



2.8 million

Population

20,268

No. of manufacturing companies

494

No. of foreign capital manufacturing companies

1.47 million

Labour pool

52,989

Employees working in foreign manufacturing companies

219,700

Employees working in manufacturing sector

Source 3: Statistics Lithuania, 2016-2018

Locations for manufacturing



Klaipeda

Ship Building and Metal Structures
Chemicals and Plastics
Food
Beverages and Tobacco
Wood Processing and Furniture



Telsiai

Oil Processing
Food
Wood and Furniture
Metal Processing and Machinery



Taurage

Food and Beverages
Furniture and Wood
Rubber Products
Textiles and Protective Clothing



Siauliai

Mechanical and Electronic Engineering
Furniture
Construction Materials
Textiles
Leather and Sewing



Panevezys

Mechanical Engineering / Machinery
Electrical Equipment
Food and Beverages



Kaunas

Advanced Electrical and Mechanical Engineering
Medtech and Life Sciences
Shared Services
IT
Automotive components



Utena

Textiles
Food and Beverages
Metal Processing and Machinery



Vilnius

MedTech and Life Sciences
Shared Services and BPOs
IT
Fintech



Marijampole

Wood and Furniture
Food
Metal Processing and Machinery

Alytus

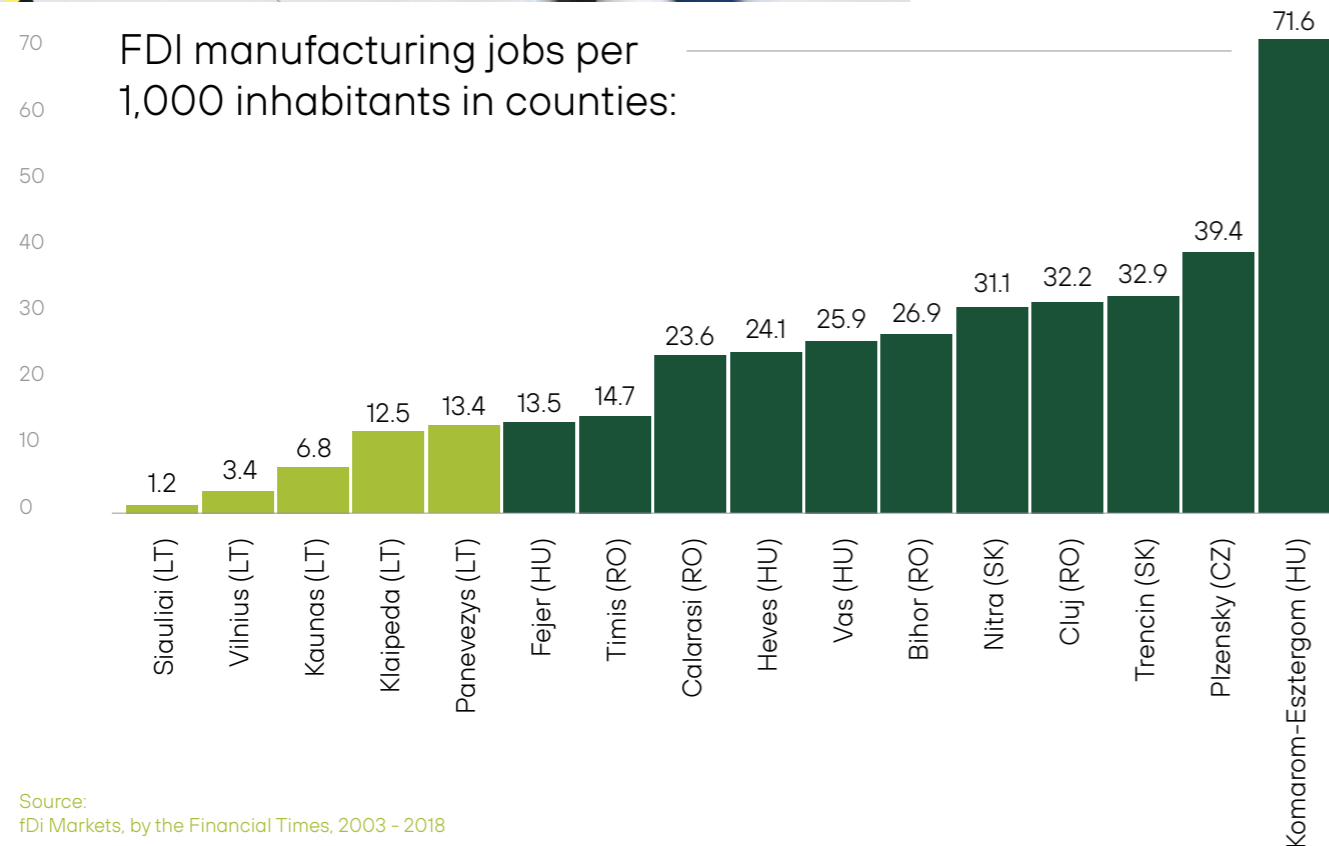
Machinery and Electrical Equipment
Wood Processing and Furniture
Textiles

| | Vilnius | Kaunas | Klaipeda | Siauliai | Panevezys | Alytus | Marijampole | Utena | Taurage | Telsiai |
|---|---------|---------|----------|----------|-----------|---------|-------------|---------|---------|---------|
| Number of residents (2019) | 815,430 | 561,508 | 318,664 | 261,623 | 212,758 | 134,862 | 137,493 | 125,877 | 92,628 | 131,060 |
| Labour pool (thousands, 2018) | 463.6 | 301.6 | 158.9 | 125.9 | 98 | 69 | 68.2 | 62.3 | 46.6 | 70.7 |
| Employees in Manufacturing (thousands, 2018) | 62.2 | 59 | 27.1 | 21.5 | 23.3 | 12.6 | 12.2 | 13.1 | 7.2 | 13.4 |
| Unemployment (% , 2018) | 4.6 | 5.7 | 4.9 | 8 | 7.7 | 7.7 | 7.3 | 12.3 | 7.6 | 6.7 |
| Average salary in Manufacturing (total costs, 2018) | 1,352 | 1,276 | 1,304 | 1,086 | 1,114 | 1,057 | 1,107 | 1,026 | 1,002 | 1,382 |

Source: Statistics Lithuania, 2019

Saturation

The number of greenfield FDI manufacturing projects attracted to Lithuania grew by 27% in 2018. And while the sector is experiencing steady growth, the saturation rate remains lower than in other established manufacturing regions in Central and Eastern Europe (CEE). This moderate level of saturation extends across all of Lithuania's regions, offering companies a choice of land plots for their operations within diverse regions that are characterized by their own distinctive and long-standing industrial traditions.



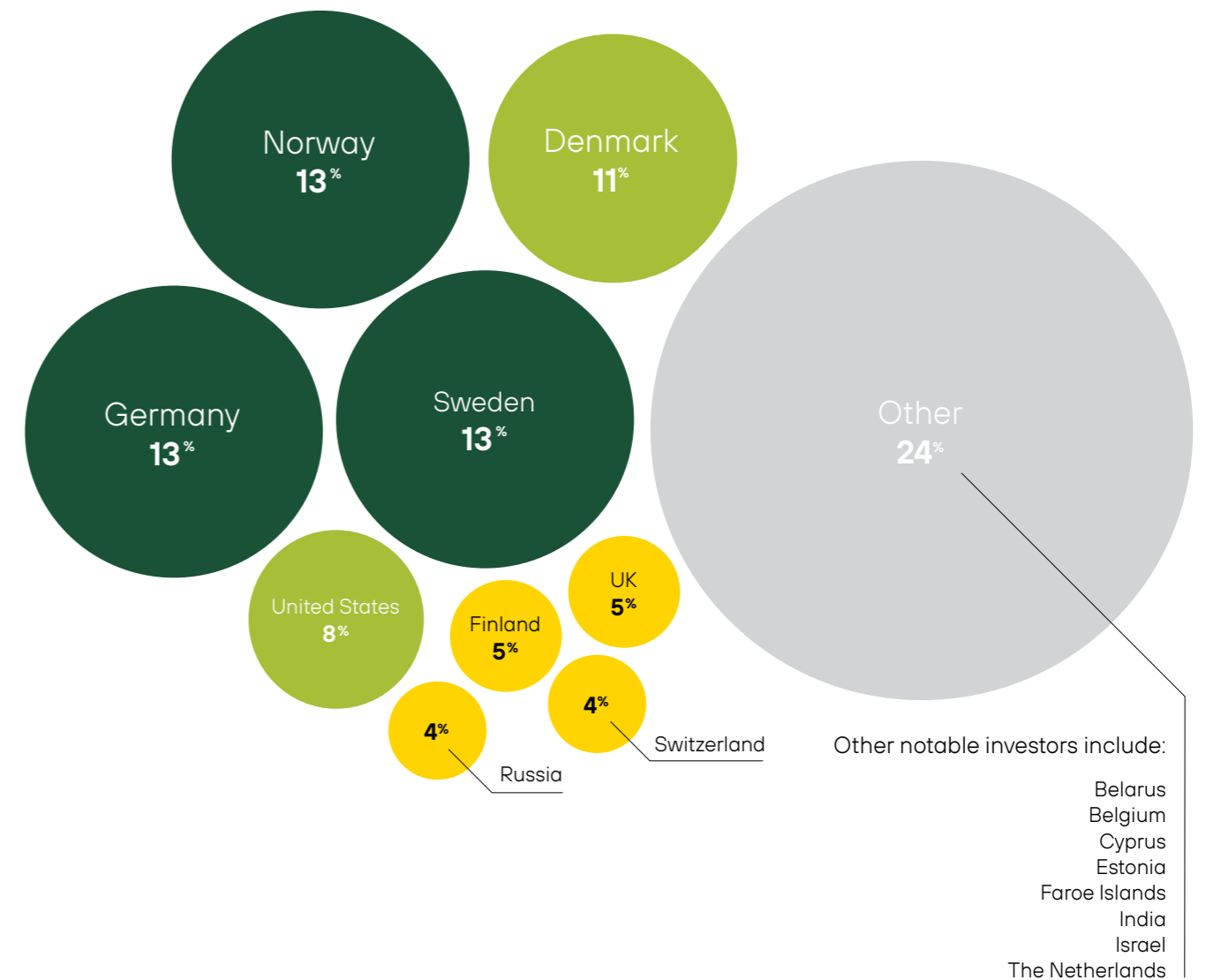
Source: fDi Markets, by the Financial Times, 2003 - 2018

Sector overview

By HQ location

Along with Nordic companies, German manufacturers remain one of the largest and most influential groups of foreign investors to have set up operations in Lithuania between 2010 and 2018. Lithuania's geographic proximity and favourable investment climate have also attracted companies from the US.

Percentage of new manufacturing projects 2010 – 2018 by HQ location:

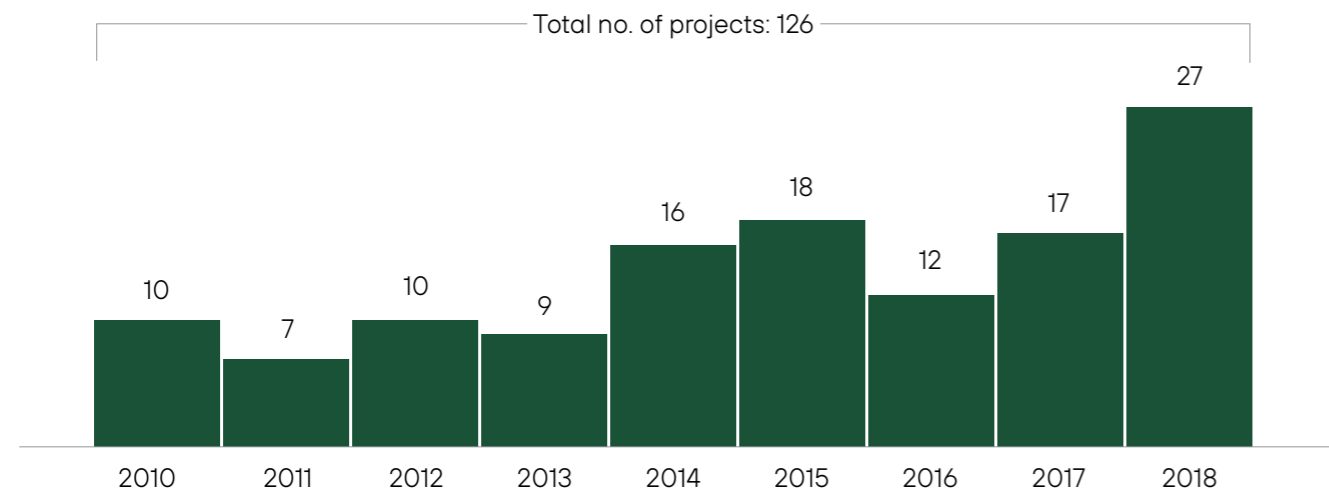


Source: Invest Lithuania and fDi Intelligence, from the Financial Times Ltd, 2019

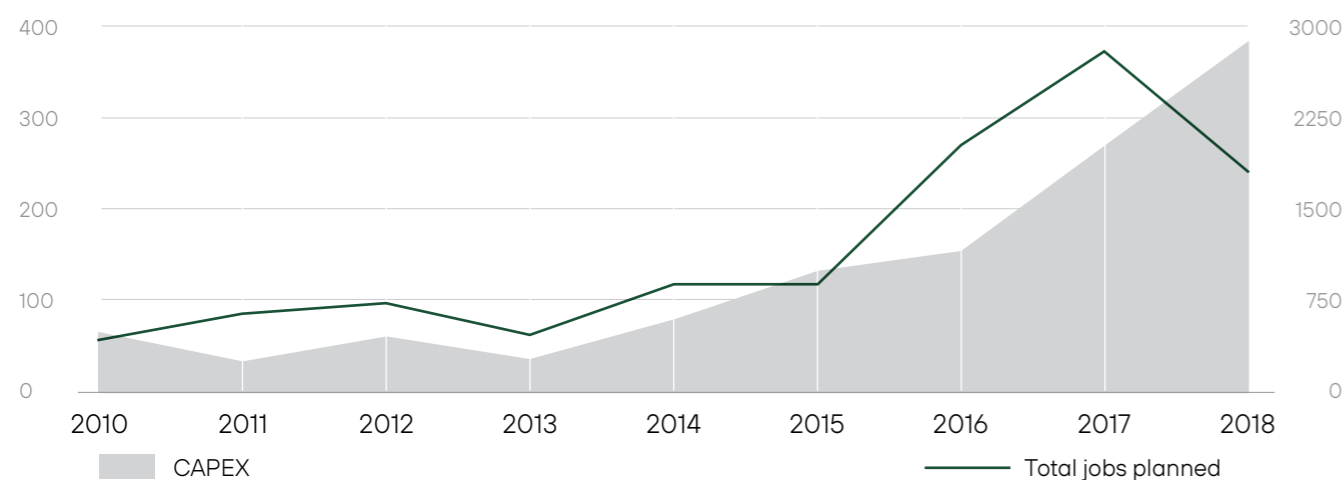
Sector growth

The manufacturing sector in Lithuania continues to grow. In comparison to other Central and Eastern European countries, Lithuania has attracted the most greenfield FDI manufacturing projects per capita over the last 5 years. The total number of FDI manufacturing projects that have chosen Lithuania for their activities amounts to 126 projects. Average capital investment per project in 2018 is double the level it was at in 2010, while the average number of jobs created has more than quadrupled.

New foreign manufacturing projects per year in Lithuania, 2010-2018¹

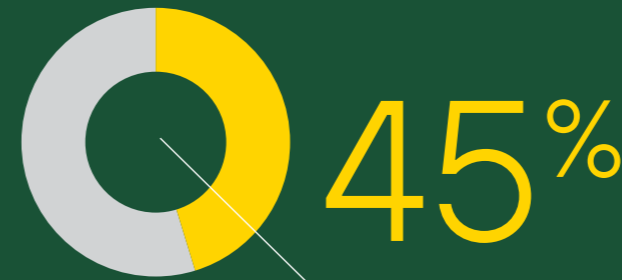


CAPEX and jobs per year in Lithuania, 2010 - 2018²



Source 1: Invest Lithuania, 2018
Source 2: Invest Lithuania and fDi Intelligence, from the Financial Times Ltd, 2019

Government support



of respondents have already taken advantage of the financial support available in Lithuania

Companies considering foreign direct investment in Lithuania can qualify for state funding, with funding being negotiated on a case by case basis in compliance with EU and Lithuanian legislation.

Strong support for research and development

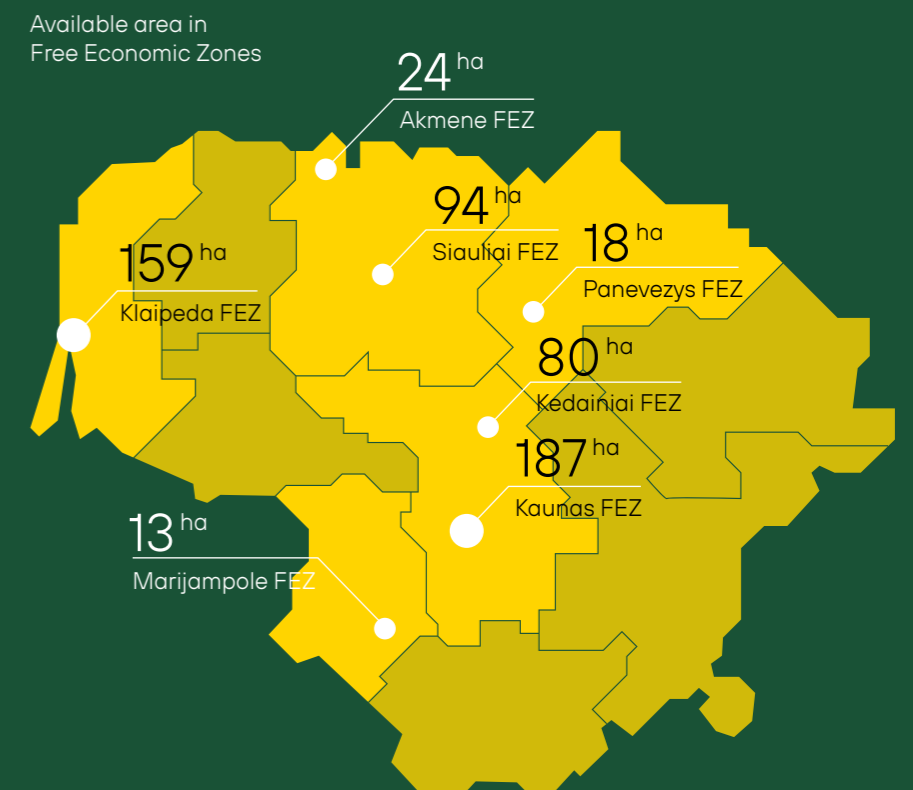
Smart FDI is a European grant that supports research into new products, as well as the development of existing products, operations, and R&D infrastructure. The level of each individual grant depends on the applying company's size, and ranges from 50% to 70% for research activities, and from 25% to 45% for R&D infrastructure.

Grants for employee training

As the manufacturing landscape in Lithuania shifts towards more advanced manufacturing operations, continuous training has become a prerequisite for growth. Many of the companies who initially began with only basic manufacturing functions have shifted towards more complex operations, such as product development or the improvement of their products. And with these added functions, there has appeared a concomitant need for training. It is for this reason that HR training grants have become the most common support programs. HR training is a European grant that supports employee training and qualification for foreign companies. The extent of this grant depends on a company's size, and ranges between 50% and 70%.

Free Economic Zones

There are seven Free Economic Zones (FEZs) in Lithuania – these zones are located in the country's economic centers. Each zone provides ready-to-build industrial landplots with physical and legal infrastructure, support services, and tax incentives. Businesses which choose to locate their operations within these zones enjoy 0% corporate profit tax during their initial 10 years, as well as no tax on dividends and real estate. For a manufacturing company to qualify for tax benefits, it needs to invest at least EUR 1 million into long term and fixed assets. 331 ha of FEZ land are currently occupied, with 575 ha available for new entrants.



Business-oriented government

The Government of the Republic of Lithuania is constantly working on business environment improvements. A number of changes have been implemented in recent years to provide greater stability for business and benefit both local and foreign investors. And these changes have attracted attention on the global stage. For evidence of this we need only look to Lithuania's ascent up the World Competitiveness Ranking.

In 2019 the country moved up 3 places to 29th in the ranking, which is compiled by the Swiss International Institute for Management Development (IMD).

The changes recently introduced to improve the business environment are as follows:

Tax policy changes

In 2019, tax policy changes were implemented. The main goal of these changes was to ease the overall tax burden on labour and introduce the most competitive labour taxation in the Baltic States, as well as to make the social security contribution system clearer and more transparent.

Support scheme for energy intensive users

In 2019, the Lithuanian authorities decided to introduce a scheme for energy-intensive industrial users whose electricity consumption exceeds 1 GWh per year. Such companies can now qualify for up to 85% compensation for their energy use providing they use renewable energy.

EU Blue Card

The migration process was streamlined in 2019, with the duration needed for highly skilled employees to gain a work and living permit reduced by 8 times (from 8 months down to 1 month).

Convenient flight connections

May 1st, 2019, saw direct flights from Vilnius to London City commence. The flight schedule was adjusted to meet business needs, with the route operating twice a day 6 days per week.



SURVEY

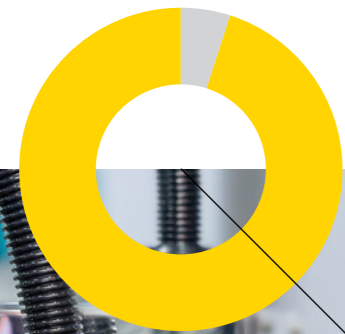


FINDINGS

The survey findings give a comprehensive overview of Lithuania's manufacturing industry. Starting from the reasons why manufacturing companies have already chosen Lithuania for their

manufacturing operations and finishing with an extensive overview of the talent available, this section presents the feedback received from the manufacturing community.

Top reasons for investing



95%

of the companies surveyed are likely to recommend investing in Lithuania

The manufacturing sector is diverse; therefore, it should come as no surprise that a great many different criteria come into play when deciding on a location for the establishment or expansion of operations. With an industry that is constantly evolving, it is natural that the importance of certain criteria shift as well. The survey of our FDI manufacturing community revealed that, similarly to last year, Lithuania's well-developed IT and telecommunications infrastructure maintains its position as one of the country's main competitive advantages. With industry 4.0 very much in the ascendance, this advantage is at a premium as it provides a secure basis for expansion and innovation. Meanwhile, the quality and competitive cost of talent remains a top competitive advantage.

Lithuania's top competitive advantages, according to the foreign manufacturers polled:

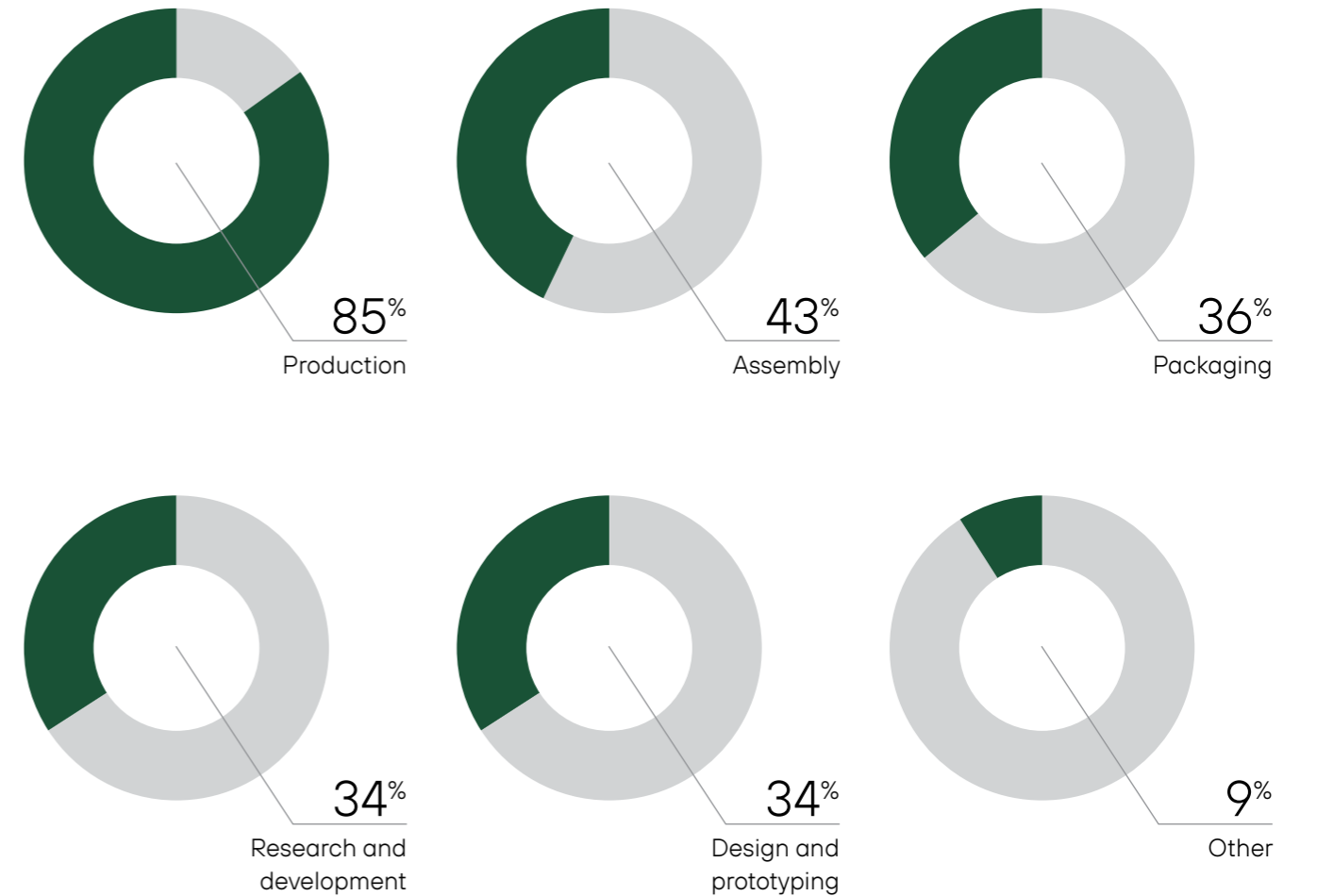
| | |
|---|---|
| Well-developed IT and telecommunications infrastructure | Stable political and economic environment |
| Convenient geographical location | Good cultural fit |
| Well-developed logistics | Well-developed infrastructure |
| Talented and motivated labour pool | Support from local municipality |
| Competitive labour costs | Strong work ethic |



Operations

The survey found that 51% of FDI companies are conducting at least 2 different types of operations and 3% of total labour pool specialists are working within R&D departments.

Share of companies by operations conducted:



56% of companies would consider establishing R&D functions in Lithuania

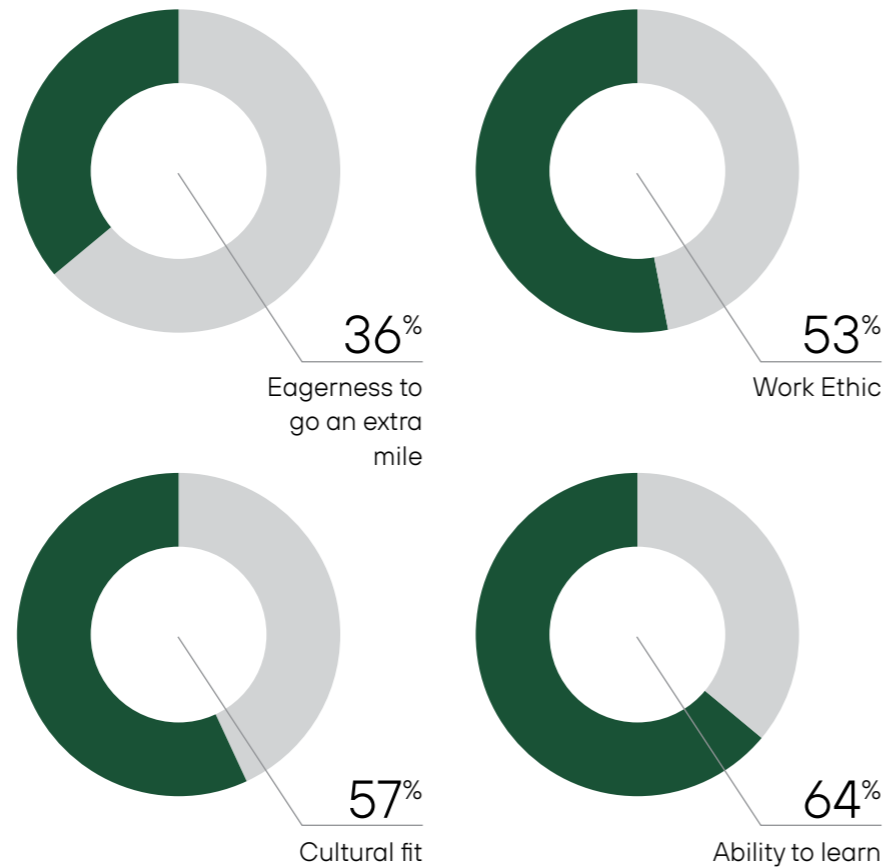
77% of respondents have expansion plans in the nearest future

Talent pool

Typical employee profile

Top notch talent is a prerequisite for companies wishing to deliver successful manufacturing operations. Based on the ratings provided by the respondents, it is evident that the Lithuanian workforce continues to excel in this regard. Their ability to learn, their cultural fit and work ethic, and their eagerness to go the extra mile were identified as the most important qualities required by companies, with the respondents identifying employee competence, teamwork skills and motivation as especially important. Moreover, the competence of Lithuanian staff was rated as "excellent", and their teamwork and motivation were rated "very good."

Share of companies that rank employee qualifications as very good:



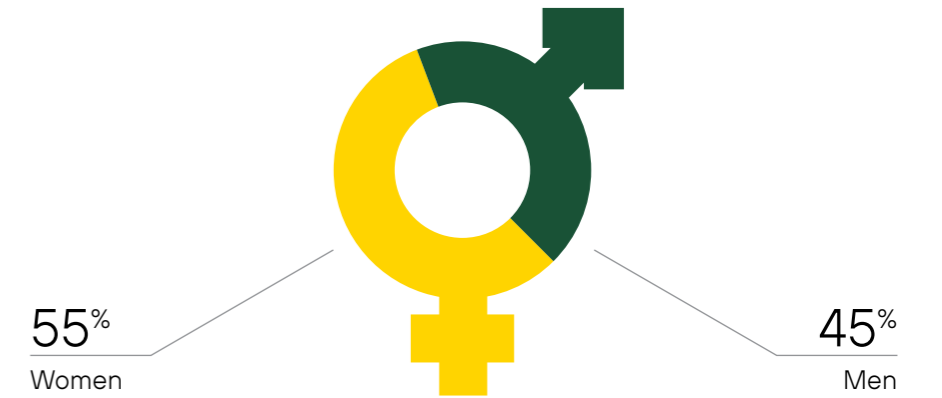
Source 1: IMD World Talent Ranking, 2018
Source 2: EIGE Gender Equality Index, 2017

Diversity

Diversity in the workplace is instrumental, as it enables businesses to build teams that are designed to make better and smarter decisions. In this context, Lithuania stands as a leading example. It is ranked 1st in the EU, with 50% of the total labour force comprised of women¹. It is also 4th in the EU for equal gender participation in the labour market².

These facts are further confirmed by the companies surveyed. According to the respondents, women play a significant role in Lithuanian manufacturing, representing 55% of both blue-collar and white-collar employees.

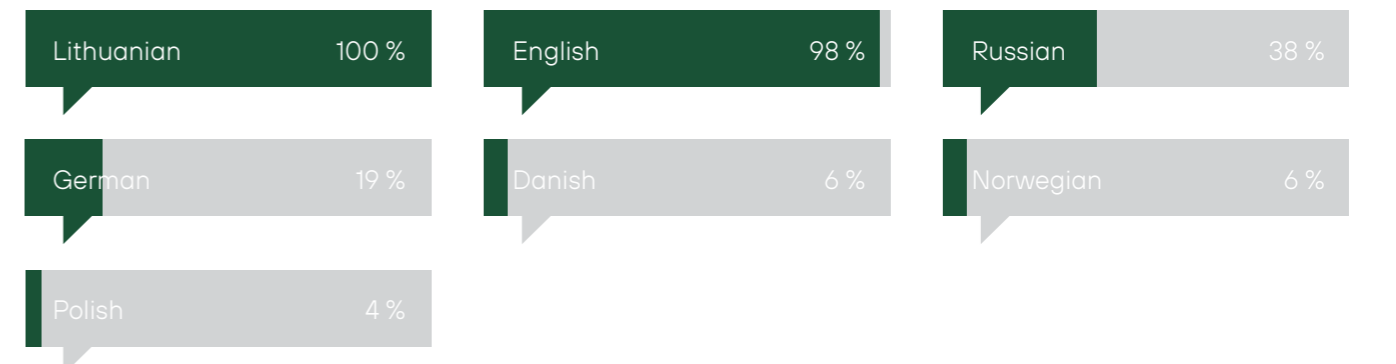
Gender in manufacturing companies:



Languages

Multilingualism is a defining characteristic of the Lithuanian manufacturing sector, making the daily communication with both company HQs and clients in foreign markets straightforward and seamless. 49% of the companies surveyed reported using at least two foreign languages in their daily operations within all layers of their team (both white-collars and blue-collars). Amongst the companies surveyed, 2% used 6 languages, the highest number of languages spoken in a manufacturing facility. Overall, English is as prominent as Lithuanian, and is spoken in 98% of the companies surveyed, followed by Russian and German. Danish and Norwegian are also present, each used by 6% of the respondents. This survey reveals a manufacturing sector that is truly international in its ability to communicate cross culturally, both internally within its plants and externally with its stakeholders.

Most commonly used languages:



Distance employees commute to work

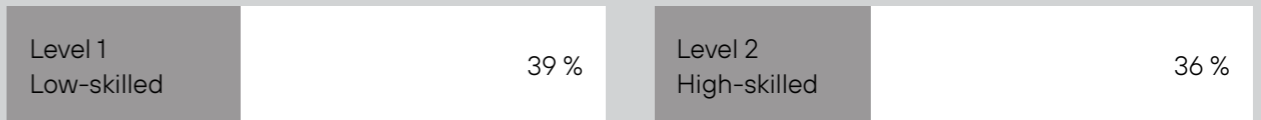
The survey found that among employees that commute from the suburbs, 45% of them commute more than 29 km to their workplace on a daily basis. The willingness of employees to commute significant distances enables businesses to build facilities in less costly regions, while at the same time ensuring they will be able to source from a wider pool of specialists. Overall, the survey found that the distances travelled ranged between 3 km and 80 km.



Breakdown of employees by skill level

While the increasing adoption of automation, robotics and artificial intelligence have led to a rise in demand for “new collar” (tech based) jobs globally, the typical skill level breakdown within Lithuanian manufacturing remains somewhat stable. According to the ISCO (International Standard Classification of Occupations) the typical distribution of employees within manufacturing companies is 60% blue-collar to 40% white-collar. In the companies surveyed, the distribution of employees in Lithuania is 75% blue-collar to 25% white-collar, with a 5% increase in the blue-collar segment in comparison to the manufacturers surveyed in 2018. Compared to the common distribution, the greater availability of blue-collar employees in Lithuania enables companies to easily find the employees they need and expand their manufacturing operations rapidly.

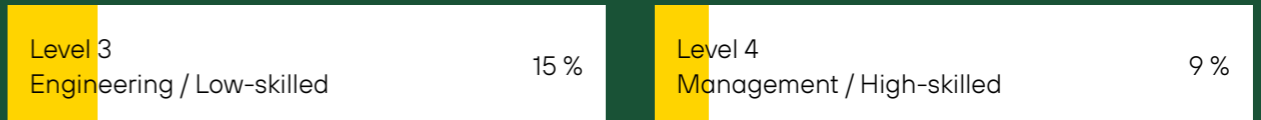
Blue-collar



Daily activities: Simple and routine physical and manual tasks, such as assembly and packing.

Daily activities: Operating machinery and electronic equipment, maintenance and repair of electrical and mechanical equipment, manipulation, ordering and storage of information.

White-collar



Daily activities: complex technical and practical tasks, extensive body of factual, technical and procedural knowledge in a specialized field.

Daily activities: complex problem solving, decision-making and creativity in delivering long-term business goals.

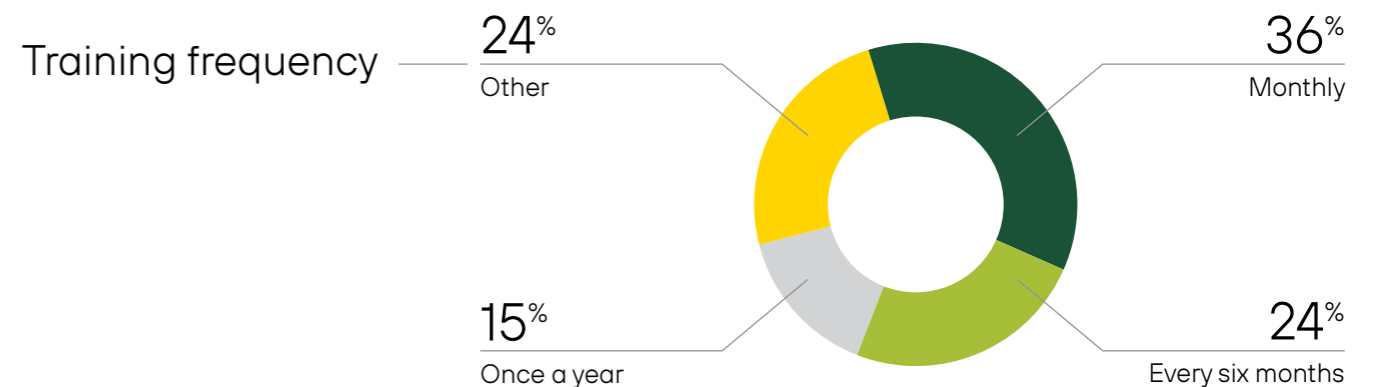
Training

The companies surveyed named the ability to learn as one of the most valued traits possessed by employees working in Lithuania. The country has one of the highest levels of tertiary education in the EU, and more than half of the population has a higher education. This, combined with an eagerness to gain knowledge, provides a good starting point for companies keen to train their employees further.

From an employer’s perspective, having well-trained specialists is essential when upscaling and managing daily operations. To remain up to date and increase competencies within their workforce, 80% of the companies surveyed provide internal or external training for their employees, with more than a third of respondents training their employees monthly. Undoubtedly, this training and ongoing development benefits both the individual and the organisation as performance improves, productivity increases, and satisfaction levels within the workforce are enhanced.

80 % of companies provide internal training or participate in external training programmes

47 % of respondent companies participate in apprenticeship programmes in partnership with educational institutions



Cooperation with educational institutions

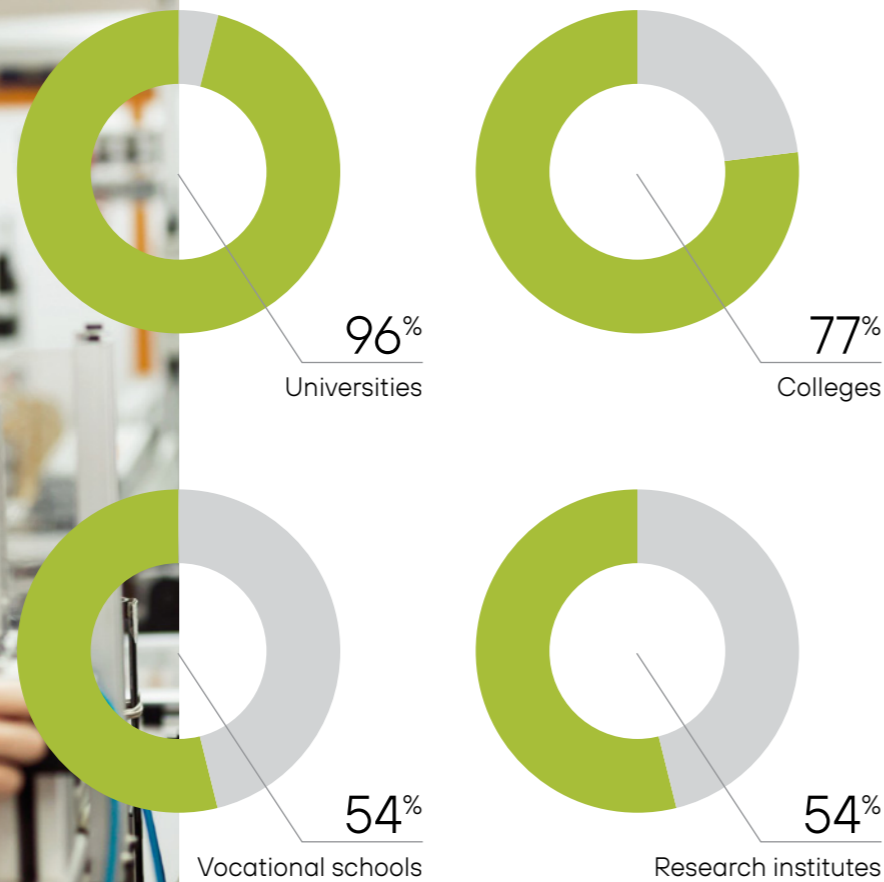
The prevalence of strong ties among universities and businesses is a defining feature of the Lithuanian business landscape. Cooperation between industry and academia benefits business in many ways. These include tailoring study programmes according to the investor's needs, the research and development of new products, and the solving of complex manufacturing problems.

The survey revealed that 65% of respondents collaborated with educational institutions, with the majority reporting they maintain strong ties with universities and colleges. Such cooperation benefits both academia and business, helping researchers gain new knowledge and strengthen competences, whilst at the same time allowing businesses to develop new products and services.

Educational institutions act as the catalyst for change while fostering innovation and collaboration, as well as challenging the status quo. Moreover, through close partnership with educational institutions, businesses are able to keep pace with the rapidly changing world of technology via further research and practice.

65 %
of companies surveyed stated that they collaborate with educational institutions

Share of manufacturing companies collaborating with educational institutions:



ADDITIONAL

INFORMATION



Wages in the manufacturing sector

The Lithuanian manufacturing sector experienced year on year growth of around 4-10% over the period between 2010 and 2018. As a consequence, wages in the sector also rose by around 8% each year over this period. The market, however, remains unsaturated. Moreover, especially within the context of the CEE region, the Lithuanian labour pool continues to be identified as more cost efficient.

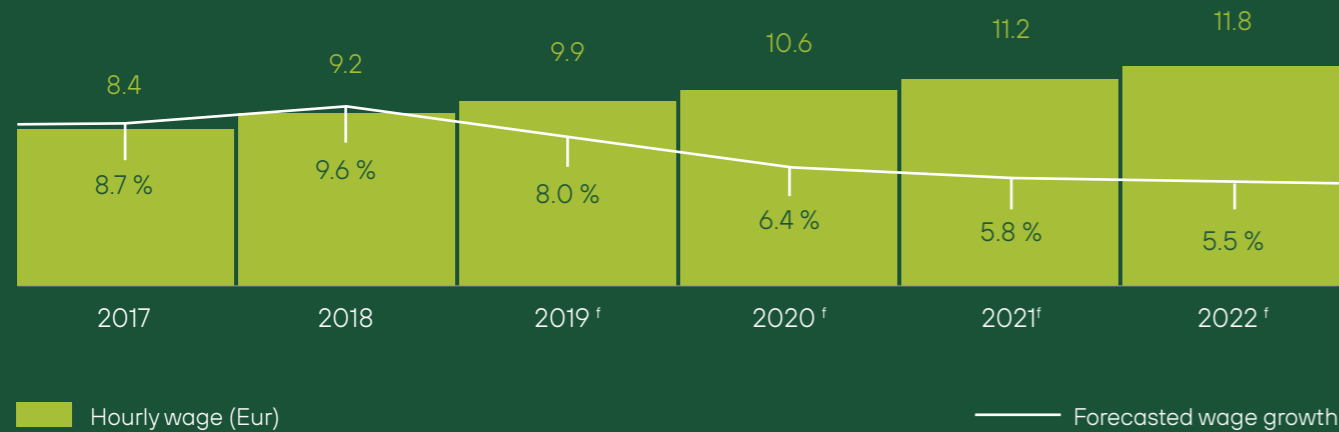
The table below shows the indicative total cost of wage ranges in 2019, including all taxes.

| Department | Position | Vilnius Region | Kaunas Region | Klaipeda Region | Siauliai Region | Panevezys Region | Alytus Region | Marijampole Region | Utena Region | Taurage Region | Telsiai Region |
|--------------------------|--|----------------|---------------|-----------------|-----------------|------------------|---------------|--------------------|---------------|----------------|----------------|
| Production | Plant Manager | 5,887 - 7,401 | 5,887 - 7,401 | 5,887 - 7,401 | 4,205 - 5,046 | 4,205 - 5,046 | 4,205 - 5,046 | 4,205 - 5,046 | 4,205 - 5,046 | 4,205 - 5,046 | 4,205 - 5,046 |
| | Production Manager | 4,033 - 5,887 | 4,033 - 5,887 | 4,033 - 5,887 | 3,364 - 4,701 | 3,364 - 4,701 | 3,364 - 4,701 | 3,364 - 4,701 | 3,364 - 4,701 | 3,364 - 4,701 | 3,364 - 4,701 |
| | Production Planner | 2,165 - 3,027 | 2,165 - 3,027 | 2,165 - 3,027 | 1,988 - 2,859 | 1,988 - 2,859 | 1,988 - 2,859 | 1,988 - 2,859 | 1,988 - 2,859 | 1,988 - 2,859 | 1,988 - 2,859 |
| | Maintenance Engineer | 1,734 - 2,422 | 1,734 - 2,422 | 1,734 - 2,422 | 1,457 - 2,165 | 1,457 - 2,165 | 1,457 - 2,165 | 1,457 - 2,165 | 1,457 - 2,165 | 1,457 - 2,165 | 1,457 - 2,165 |
| | Shift Leader | 1,280 - 2,165 | 1,280 - 2,165 | 1,280 - 2,165 | 1,280 - 2,165 | 1,280 - 2,165 | 1,280 - 2,165 | 1,280 - 2,165 | 1,280 - 2,165 | 1,280 - 2,165 | 1,280 - 2,165 |
| | Maintenance Technician | 1,103 - 1,811 | 1,103 - 1,811 | 1,103 - 1,811 | 1,103 - 1,811 | 1,103 - 1,811 | 1,103 - 1,811 | 1,103 - 1,811 | 1,103 - 1,811 | 1,103 - 1,811 | 1,103 - 1,811 |
| | Machine Operator | 1,103 - 1,634 | 1,103 - 1,457 | 1,103 - 1,457 | 926 - 1,280 | 926 - 1,280 | 926 - 1,280 | 926 - 1,280 | 926 - 1,280 | 926 - 1,280 | 926 - 1,280 |
| | Operator (Basic functions: packing, assembly) | 749 - 926 | 749 - 926 | 749 - 926 | 749 - 926 | 749 - 926 | 749 - 926 | 749 - 926 | 749 - 926 | 749 - 926 | 749 - 926 |
| Quality | Quality Manager | 3,364 - 4,541 | 3,364 - 4,541 | 3,364 - 4,541 | 2,691 - 3,701 | 2,691 - 3,701 | 2,691 - 3,701 | 2,691 - 3,701 | 2,691 - 3,701 | 2,691 - 3,701 | 2,691 - 3,701 |
| | Quality Engineer | 1,634 - 2,165 | 1,634 - 2,165 | 1,634 - 2,165 | 1,590 - 2,015 | 1,590 - 2,015 | 1,590 - 2,015 | 1,590 - 2,015 | 1,590 - 2,015 | 1,590 - 2,015 | 1,590 - 2,015 |
| | Production Supervisor / Quality Assurance Specialist | 1,307 - 1,732 | 1,307 - 1,732 | 1,307 - 1,732 | 1,165 - 1,590 | 1,165 - 1,590 | 1,165 - 1,590 | 1,165 - 1,590 | 1,165 - 1,590 | 1,165 - 1,590 | 1,165 - 1,590 |
| | Quality Controller | 1,103 - 1,634 | 1,103 - 1,634 | 1,103 - 1,634 | 926 - 1,368 | 926 - 1,368 | 926 - 1,368 | 926 - 1,368 | 926 - 1,368 | 926 - 1,368 | 926 - 1,368 |
| Warehouse | Warehouse Manager | 2,859 - 4,205 | 2,859 - 4,205 | 2,859 - 4,205 | 2,342 - 2,691 | 2,342 - 2,691 | 2,342 - 2,691 | 2,342 - 2,691 | 2,342 - 2,691 | 2,342 - 2,691 | 2,342 - 2,691 |
| | Warehouse and Distribution Operatives | 749 - 926 | 749 - 926 | 749 - 926 | 749 - 926 | 749 - 926 | 749 - 926 | 749 - 926 | 749 - 926 | 749 - 926 | 749 - 926 |
| Logistics & Supply Chain | Logistics and Supply Chain Manager | 5,046 - 6,728 | 5,046 - 6,728 | 5,046 - 6,728 | 3,364 - 4,205 | 3,364 - 4,205 | 3,364 - 4,205 | 3,364 - 4,205 | 3,364 - 4,205 | 3,364 - 4,205 | 3,364 - 4,205 |
| | Purchasing, Logistics and Supply Chain Specialist | 1,634 - 2,519 | 1,634 - 2,519 | 1,634 - 2,519 | 1,280 - 1,811 | 1,280 - 1,811 | 1,280 - 1,811 | 1,280 - 1,811 | 1,280 - 1,811 | 1,280 - 1,811 | 1,280 - 1,811 |
| Customer Service | Customer Service Manager | 2,200 - 3,000 | 2,000 - 2,500 | 1,900 - 2,300 | 1,900 - 2,300 | 1,900 - 2,300 | 1,900 - 2,300 | 1,900 - 2,300 | 1,900 - 2,300 | 1,900 - 2,300 | 1,900 - 2,300 |
| | Customer Service Coordinator (English speaking) | 1,100 - 1,800 | 1,100 - 1,800 | 1,100 - 1,800 | 1,000 - 1,650 | 1,000 - 1,650 | 1,000 - 1,650 | 1,000 - 1,650 | 1,000 - 1,650 | 1,000 - 1,650 | 1,000 - 1,650 |
| Finance & IT | Finance Manager | 3,500 - 4,500 | 3,500 - 4,500 | 3,500 - 4,500 | 3,000 - 4,000 | 3,000 - 4,000 | 3,000 - 4,000 | 3,000 - 4,000 | 3,000 - 4,000 | 3,000 - 4,000 | 3,000 - 4,000 |
| | Accountant | 2,000 - 3,000 | 2,000 - 2,500 | 1,800 - 2,500 | 1,800 - 2,500 | 1,800 - 2,500 | 1,800 - 2,000 | 1,800 - 2,000 | 1,800 - 2,000 | 1,800 - 2,000 | 1,800 - 2,000 |
| | IT Administration Officer | 2,500 - 3,000 | 2,500 - 3,000 | 2,500 - 3,000 | 2,500 - 3,000 | 2,500 - 3,000 | 2,500 - 3,000 | 2,500 - 3,000 | 2,500 - 3,000 | 2,500 - 3,000 | 2,500 - 3,000 |
| | Accounts Payable Specialist | 1,800 - 2,000 | 1,800 - 2,000 | 1,800 - 2,000 | 1,200 - 1,800 | 1,200 - 1,800 | 1,200 - 1,800 | 1,200 - 1,800 | 1,200 - 1,800 | 1,200 - 1,800 | 1,200 - 1,800 |
| HR | HR Manager | 2,500 - 3,500 | 2,500 - 3,500 | 2,200 - 3,000 | 2,200 - 3,000 | 2,200 - 3,000 | 2,200 - 3,000 | 2,200 - 3,000 | 2,200 - 3,000 | 2,200 - 3,000 | 2,200 - 3,000 |
| | HR Specialist | 2,200 - 3,000 | 2,200 - 3,000 | 2,000 - 2,500 | 2,000 - 2,500 | 2,000 - 2,500 | 2,000 - 2,500 | 2,000 - 2,500 | 2,000 - 2,500 | 2,000 - 2,500 | 2,000 - 2,500 |
| | Administration Office Worker | 1,300 - 2,250 | 1,200 - 2,000 | 1,200 - 1,800 | 1,100 - 1,800 | 1,100 - 1,800 | 1,100 - 1,800 | 1,100 - 1,800 | 1,100 - 1,800 | 1,100 - 1,800 | 1,100 - 1,800 |

Wage inflation is decreasing in the manufacturing sector

After its peak in 2018, Lithuania's wage inflation in the manufacturing sector is forecast to decrease in 2019 and remain at a level of 5.5% in 2022.

Hourly labour cost growth in Lithuania (2017-2022)



Source: European Commission, 2019

Work in Lithuania

The Work in Lithuania programme was created in 2017 to encourage both Lithuanian and foreign professionals to pursue their careers in Lithuania. The programme is dedicated to connecting highly skilled employees who are looking for career opportunities in Lithuania with international companies looking for talented people.

The manufacturing industry falls under one of the focus areas of the programme. This means companies participating in the programme have access to a wider geographical talent pool. The programme's main tool for achieving this is a web portal where job postings are listed. This portal is gaining ever more attention, resulting in a rapid growth in the number of candidates from across Europe and around the world. The programme also facilitates discussion with governmental institutions and private bodies to ensure that all voices related to the question of talent attraction are heard, and to campaign on behalf of partner companies in order to achieve the best conditions for attracting international staff. The programme skyrocketed in 2018, with monthly average visitors growing from 9,000 at the start of the year up to 22,500 by the beginning of 2019. The number of applications from candidates received per month increased 8 fold.

130 + International companies participating in the Work in Lithuania program

20,000 Platform visitors per month on average

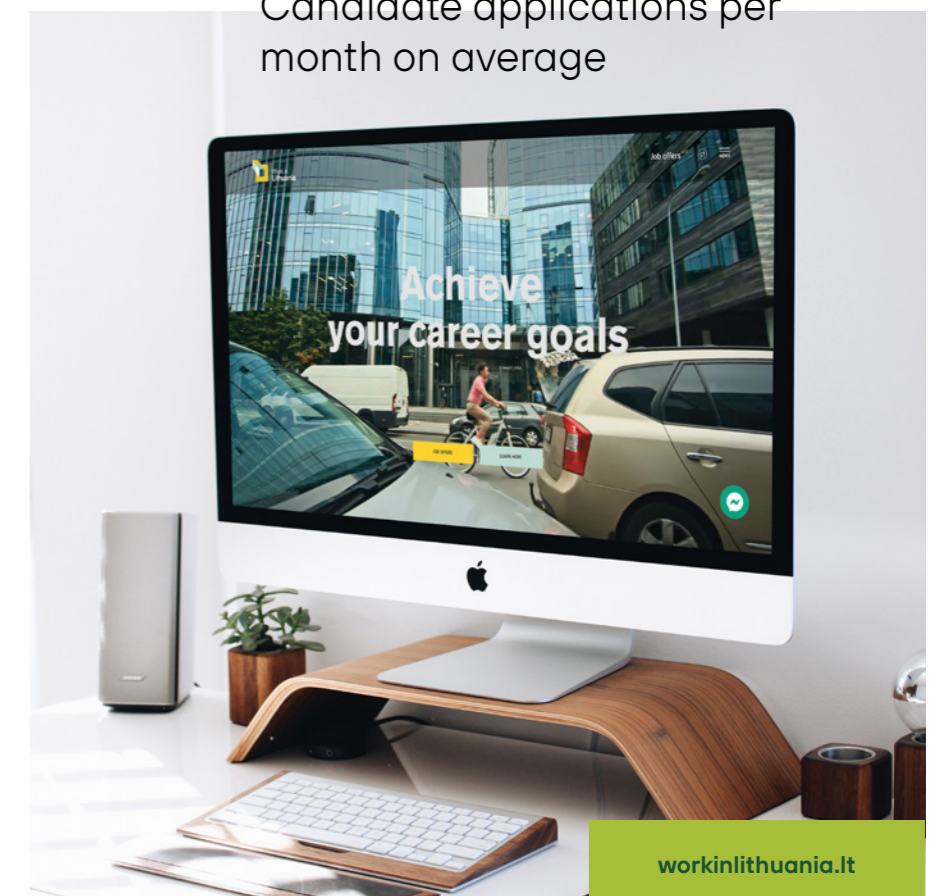
900 + Candidate applications per month on average

Top 5 manufacturing positions by applications received:

- Automation Engineer
- Production Test Engineer
- Line Operator
- Purchasing Specialist
- Quality Engineer

Top 5 countries by platform visitors:

- United Kingdom
- Italy
- Spain
- Germany
- Netherlands



Manufacturing team



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2014-2020 Operational
Programme for the
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Investments in Lithuania