



# Conclusions and Policy Recommendations for Lithuania

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<b>Cross-border marketing</b>	<ul style="list-style-type: none"> <li>• Implementation of AIFMD – marketing of AIFs to non-professional investors in Lithuania is not permitted</li> <li>• Non-EU AIFMs and non-EU AIFs – direct transposition of AIFMD, no NPPR</li> <li>• Definition of AIF - not in line with the directive</li> </ul>
<b>National regulation of CIUs</b>	<ul style="list-style-type: none"> <li>• Regulation of retail funds – detailed requirements on eligible investments, leverage etc., no EU passport</li> <li>• Funds for well-informed investors (&gt; EUR 125,000) – restrictive eligibility criteria, no EU passport</li> <li>• Funds for professional investors – covered by the law implementing AIFMD which needs to be revised</li> </ul>
<b>Investment vehicles</b>	<ul style="list-style-type: none"> <li>• Funds vs. ICs – regulation of ICs lacks flexibility (capital raising, distribution of proceeds, priority rights, etc.)</li> <li>• No guidance (and no practice) on EuVECA, EuSEF and ELTIFs</li> </ul>
<b>Appealing tax regime</b>	<ul style="list-style-type: none"> <li>• Taxation of CIUs – certain inconsistencies remain that make them unattractive to certain types of investors</li> <li>• EuVECA, EuSEF and ELTIFs do not qualify for CIUs exemptions under Lithuanian tax laws</li> </ul>
<b>Implementation of EU directives</b>	<ul style="list-style-type: none"> <li>• Implementation of EU directives delayed, transposed directly or in the most conservative way</li> </ul>
<b>Administrative practices</b>	<ul style="list-style-type: none"> <li>• Authorisation process is lengthy, communication with the regulator is complex and inefficient</li> <li>• No possibility to submit documents in foreign language, e-filing, etc.</li> </ul>
<b>Voice of the industry</b>	<ul style="list-style-type: none"> <li>• No specialized industry association</li> <li>• No specialized training for building talent pool</li> </ul>
<b>Focus</b>	<ul style="list-style-type: none"> <li>• Need for coordinated efforts of policy makers, regulators and the industry in creating and promoting Lithuania as jurisdiction for funds</li> </ul>

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