



## European Platform tackling undeclared work

### The Central Coordination Group (CCG)

Lithuania

	<b>Summary</b> The CCG provides a central point for institutions involved in tackling undeclared work, which has led to increased coordination and joint implementation of measures and approaches.
<b>Title of the practice in original language</b>	<i>Nelegalaus darbo reiškinių centrinė koordinavimo grupė</i>
<b>Name(s) of authorities/bodies/organisations involved</b>	<ul style="list-style-type: none"> <li>• State Labour Inspectorate (<i>Valstybinė darbo inspekcija, VDI</i>);</li> <li>• State Tax Inspectorate (<i>Valstybinė mokesčių inspekcija, VMI</i>);</li> <li>• State Social Insurance Fund Board (<i>Valstybinio socialinio draudimo fondo valdyba, SoDra</i>);</li> <li>• Financial Crime Unit at the Ministry of Interior (<i>Finansinių nusikaltimų tyrimo tarnyba prie Vidaus reikalų ministerijos</i>);</li> <li>• Police Department (<i>Policijos departamentas, PD</i>).</li> </ul>
<b>Sectors</b>	All
<b>Target groups</b>	<ul style="list-style-type: none"> <li>• Public sector institutions directly involved in analysing and tackling the undeclared work (directly targeted);</li> <li>• Workers and employers involved in undeclared work (indirectly targeted).</li> </ul>
<b>Purpose of measure</b>	Deterrence: improve detection

	<b>Aims and objectives</b> Created in 2001, the CCG aims to better coordinate the work of different institutions involved in tackling undeclared work in Lithuania, to improve detection and prevention.
<b>Background context</b>	The institutions responsible for tackling undeclared work have previously worked in silos with little communication between the units.



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	<p>The specific roles and responsibilities in relation to tackling undeclared work for each of the relevant organisation are as follows:</p> <ul style="list-style-type: none"> <li>• The State Labour Inspectorate carries out control of undeclared work and inspects compliance with the Labour Code, including related to the employment contracts, work pay, organisation of work and rest;</li> <li>• The State Tax Inspectorate carries out controls of payment of envelope wages, infringements of the procedure of calculations of wages and payments;</li> <li>• The police department is responsible for enforcing prevention of undeclared and illegal work and human trafficking for forced labour;</li> <li>• The State Social Insurance Fund Board receives employer notifications of signed employment contracts in its information system;</li> <li>• The Financial Crime Investigation Service detects and investigates acts related to financial crimes.</li> </ul> <p>The need to coordinate the activities of different institutions involved in tackling the undeclared work in Lithuania was identified two decades ago and the national government at the time established the CCG which has been in operation since 2001.<sup>i</sup></p>
<b>Key objectives of the measure</b>	<p><b>General Objective:</b></p> <ul style="list-style-type: none"> <li>• Improve the coordination of activities between the different public institutions involved in tackling undeclared work.</li> </ul> <p><b>Specific Objectives:</b></p> <ul style="list-style-type: none"> <li>• To better analyse and assess the characteristics and conditions of undeclared work in Lithuania.</li> <li>• To plan and implement more effective and efficient approve measures that aim to improve control and reduce the incidence of undeclared work.</li> </ul>
<b>Main activities</b>	<p>The CCG provides the main cooperation channel for joint activities. The CCG has a two-tier structure:</p> <ul style="list-style-type: none"> <li>• The CCG operating at the national level, and</li> <li>• Ten coordinating groups operating at the regional level.</li> </ul> <p>There are close links among the national level CCG and the ten regional level groups. Typically, the national level CCG decides on the core tasks and allocates them to the county level. These regional level institutions also carry out joint actions agreed at the national level.</p>



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	<p>The main activities of the CCG are the analysis and assessment of the characteristics, conditions, and trends of undeclared work in Lithuania. They also plan and implement measures to improve controls and reduce the incidence of undeclared work. This includes:</p> <ul style="list-style-type: none"> <li>• Supporting joint and concerted inspections, procedures for information and/or evidence exchange, control methods and recommendations;</li> <li>• Decision-making concerning the coordination groups in the different counties and their operating procedures;</li> <li>• Calculating the scale of undeclared work, planning training and qualification improvement of civil servants and public officers;</li> <li>• Organising awareness-raising activities;</li> <li>• Analysing data relating to undeclared work, as well as consideration and approval of proposals to improve the related legislative framework;</li> <li>• Reviewing relevant practices in other countries.</li> </ul> <p>The CCG currently invites the social partners to contribute where possible but their participation is limited.</p>
<b>Funding/organisational resources</b>	<p>The activities of the CCG at the national and country levels are funded through the ordinary budget lines of the participating institutions. No separate budget is allocated specifically for the CCG activities.</p>

	<p><b>Outcomes</b></p> <p>The work of CCG has led to increased coordination and joint implementation of measures and approaches of different institutions involved in tackling undeclared work. New and more effective approaches have been developed through a better coordination approach.</p>
<b>Achievement of objectives</b>	<p>A specific evaluation of the results and impacts of the work of the CCG has not been carried out as yet. However, based on the available expert assessments,<sup>ii</sup> it appears that it has made a valuable contribution to increased coordination and better efficiency of the organisations involved in the prevention of undeclared work. This in turn has led to greater efficiency with the use of state funds, increased collegiality and trust among public institutions, and the development and adaptation of new and more effective measures to prevent the incidence of undeclared work.</p>



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<b>Lessons learnt and success factors</b>	The main lesson learnt from the initiative is how to effectively use the pool of different skills and expertise of across the institutions. An important aspect of this collaboration has been formal agreements and opportunities to exchange data among the different state authorities involved in tackling the undeclared work.
<b>Transferability</b>	The approach of a central group is transferable to other countries with disparate responsible bodies, to ensure a better inter-institutional approach. A formal legal basis is recommended, which establishes the coordination structure, and clearly sets out the specific roles and responsibilities of participating institutions. A further lesson to enhance its effectiveness would be to invite the social partners, as their participation could further strengthen the effectiveness of coordination.

<b>Further information</b>	
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<b>Useful sources and resources</b>	<p>Government of Lithuania, Order establishing the Central Coordination Group, No. 1407, 24 November 2001, <a href="https://www.e-tar.lt/rs/actualedition/TAR.333C6A3EA261/TAIS_188113/">https://www.e-tar.lt/rs/actualedition/TAR.333C6A3EA261/TAIS_188113/</a></p> <p>The work of the CCG, <a href="https://www.vdi.lt/Forms/Komisijos.aspx">https://www.vdi.lt/Forms/Komisijos.aspx</a></p> <p><a href="https://www.eurofound.europa.eu/data/tackling-undeclared-work-in-europe/database/coordination-of-undeclared-work-control-lithuania">https://www.eurofound.europa.eu/data/tackling-undeclared-work-in-europe/database/coordination-of-undeclared-work-control-lithuania</a></p> <p>Peer Review on Joint operation groups between public agencies – an effective tool to prevent and tackle undeclared work- Peer Country Comments Paper: Lithuania (2017);</p> <p><a href="https://ec.europa.eu/social/main.jsp?pager.offset=10&amp;catId=89&amp;langId=en&amp;newsId=2851&amp;tableName=news&amp;moreDocuments=yes&amp;typeId=121">https://ec.europa.eu/social/main.jsp?pager.offset=10&amp;catId=89&amp;langId=en&amp;newsId=2851&amp;tableName=news&amp;moreDocuments=yes&amp;typeId=121</a></p>



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<sup>i</sup> Government of Lithuania, Order establishing the Central Coordination Group, No. 1407, 24 November 2001,

[https://www.e-tar.lt/rs/actualedition/TAR.333C6A3EA261/TAIS\\_188113/](https://www.e-tar.lt/rs/actualedition/TAR.333C6A3EA261/TAIS_188113/)

<sup>ii</sup> <https://www.eurofound.europa.eu/data/tackling-undeclared-work-in-europe/database/coordination-of-undeclared-work-control-lithuania>

Peer Review on Joint operation groups between public agencies – an effective tool to prevent and tackle undeclared work- Peer Country Comments Paper: Lithuania (2017); <https://ec.europa.eu/social/main.jsp?pager.offset=10&catId=89&langId=en&newsId=2851&tableName=news&moreDocuments=yes&typeId=121>