

VALDIS DOMBROVSKIS
Vice-President of the European Commission

PIERRE MOSCOVICI
Member of the European Commission

Brussels, 25th October 2016

Dear Minister,

Thank you for the submission of Lithuania's Draft Budgetary Plan (DBP) for 2017, which we received on 17 October.

We acknowledge that the DBP only includes the policy measures that the caretaker government has adopted to date, with no new planned measures for 2017 because it does not have full budgetary power.

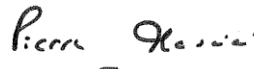
We take note of Lithuania's request in the DBP to make use of the additional flexibility under the preventive arm in 2017 to take account of major structural reforms with a positive impact on the long-term sustainability of public finances. The Commission, and later on the Council, are expected to make a thorough assessment of the application, considering the eligibility criteria, once the full DBP will be transmitted by the incoming government. A complete assessment of the application would take place next spring at that stage of the European Semester.

We are therefore seeking reassurances from the Lithuanian authorities in the coming days that the incoming government, as soon as possible upon taking office, will submit an updated DBP to the Commission and to the Eurogroup, and, in that context, confirms its commitment to the continued implementation of the structural reforms legislated in the course of this year.

Yours sincerely,



Valdis Dombrovskis



Pierre Moscovici

Ms Rasa BUDBERGYTĖ
Minister of Finance
Lukiskiu str. 2
LT - 01512 VILNIUS