



# **Contemporary Challenges of Employee Participation**

Opposing the Negative Results of Covid

Project report.

**Contemporary Challenges of Employee Participation –  
Opposing the Negative Results of Covid-19.**

## **THE UNIFICATION OF LITHUANIAN METALWORKERS' TRADE UNIONS**

### **Research description.**

The information provided in the project report is based on the analysis of existing data from official and public sources. We collected and analyzed relevant information from industries. As well, we have researched publicly available literature, data and media articles on the European Green Deal, the European Union's climate policy and its implementation in our country. Quantitative and qualitative content analysis was applied to achieve the objectives of the research.

### **Introduction.**

Lithuania, together with other members of the world community, has signed the United Nations Framework Convention on Climate Change (Paris Agreement). Under this agreement, Lithuania has committed itself jointly with the European Union and its Member States in the period of 2021–2030 to reduce greenhouse gas (GHG) emissions by at least 40% compared to 1990 levels. The parties have committed to keeping global warming well below pre-industrial levels and not exceeding 1.5 ° C.

On the 30th of June 2021, the Seimas of the Republic of Lithuania approved a document entitled "National Agenda for Climate Change Management". The draft strategy sets short-term (by 2030), medium-term (by 2040) and long-term (by 2050)





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goals and targets for climate change mitigation (by reducing GHG emissions) and adaptation to climate change.

Lithuania is committed to moving in the Green Deal direction and striving for a lifestyle transformation of the country and the population that will help reduce greenhouse gas emissions, halt climate change and biodiversity loss crises, reduce consumption, achieve sustainability, and move towards moving towards a circular economy. These changes can only be achieved by bringing together representatives from different groups of society and hearing out the citizens who will be most affected by the inevitable socio-economic changes. Decoupling economic growth from resource use and moving towards circular production and consumption systems is essential to ensure the EU's climate neutrality by 2050.

In March 2020, The European Commission presented the EU action plan for the Circular Economy, and the Council adopted conclusions on it at the end of 2020. The conclusions highlight the role of the circular economy in ensuring a green recovery from COVID-19.

The Action Plan foresees more than 30 actions related to the development of sustainable products, the circular nature of production processes, and consumers' empowerment. It covers sectors such as electronics and ICT, batteries, packaging, plastics, textiles, construction and buildings, as well as the food sector. For Lithuanian businesses, especially for the industry and transport sector, this will become a key document for all cases. The EU's "Green Deal" and national action plan will impact the lives of every company and, in essence, every European.

The Unification of Lithuanian Metalworkers' Trade Unions (lt. Lietuvos metalistų profesinių sąjungų susivienijimas, LMPSS) is a trade union which brings together and





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represents members working in the field of engineering industry. i.e. metal products, machinery, bicycles, electrotechnics and electronics, vehicle sectors.

In order to help society adapt to future developments, it is essential to give voice to and engage in decision-making not only businesses, which are often active in decision-making, but also other groups of society, trade unions, which for various reasons are less likely to be able to take a position in the legislative process.

## **The Green Deal changes not only production but also life habits.**

In order to achieve the objectives of the Paris Agreement and maintain the EU's leadership at the international level in the fight against climate change, Lithuania, together with the other EU Member States, aims to increase the objectives of the next decade and long-term climate and energy policy.

Electricity in the modern world is a strategic commodity, more important even than armaments. Countries with higher levels of development consume more electricity, making them more vulnerable if the electricity supply is disrupted. Any power failure causes significant losses, and if the state switches off electricity, its economy would suddenly collapse and it would not be able to resist even a feeble enemy. As a result, an absolute majority of the world's countries produce their own electricity and even have spare capacity.

As Lithuania fulfilled its obligations under the Treaty on Accession to the European Union, the Ignalina Nuclear Power Plant (INPP) altogether ceased its electricity production at the end of 2009. The first unit has been out of operation since the 31st of December 2004, and the second was suspended on the 31st of December 2009. The INPP reactors were among the most powerful in the world, each having an





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installed capacity of 1500 MW. In 2008, INPP production satisfied about 70% Lithuania's electricity needs. Former electricity producer INPP has become an undertaking terminating its operation but maintaining its status as a nuclear operator.

After the shutdown of the 2nd unit of INPP 13 years ago, Lithuania ceased to be an exporter and became an importer of electricity. We want to point out that so far, no mineral resources of global or at least regional importance have been found in Lithuania; we do not have coal mines or natural gas.

A nuclear power plant in Belarus, in the Astravyets area, started generating electricity in 2020 after less than 9 years of construction. Astravyets NPP is 20 kilometres from the Lithuanian border, 50 kilometres from Vilnius, the capital of the Republic of Lithuania. Lithuania stopped electricity imports from Belarus last November, when the Astravyets NPP started producing electricity. It was a political decision. However, Belarusian electricity enters the Baltic market when traded as Russian on the Riga Stock Exchange. Thus when Lithuania approved the new rules, imports from Russia to Latvia decreased significantly.

However, it should be noted that Lithuania is currently still heavily dependent on fossil fuels. The Minister of Energy pointed out that Lithuania is dependent on non-renewable sources and energy imports from other countries.

"Import accounts for 70% of our total energy balance. This fact is not pleasant. There is not a single country in Europe with a similar balance because everyone clearly understands that this is a national security issue. Secondly, there is an economic issue. Importing this amount of energy resources means affecting our export balance. We give away the money we have collected so carefully, earned to us by exporting companies," explained D. Kreivys, the Minister of Energy of the Republic of Lithuania. At the same time, however, the minister emphasized that the ministry aims to achieve





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a set target of 90% consumed energy being renewable. By 2050, the goal is to become a climate-neutral state.

Lithuania has adopted the National Energy Independence Strategy, which stipulates that renewable energy sources (RES) will account for 45% of final energy consumption by 2030. As well it sets out that renewable energy sources will generate 100% of electricity by 2050, and as many as half of all electricity consumers its producers (i.e. prosumers).

Lithuania has set ambitious goals which will make a significant contribution to achieving the goals of the Energy Union and the EU's energy and climate policy objectives for 2030. Together with Latvia and Estonia, Lithuania will synchronize via Poland with a reliable and unified continental European electricity system by 2025. By 2030, renewable energy sources (RES) are expected to make up 45% of final energy consumption (one of the highest ambitions for RES development at the EU level), including 45% of electricity and 90% of energy in central heating coming from renewable energy sources. Investment in energy independence is not only about cutting prices, it is also a matter of national security.

The use of renewable energy sources (i.e. hydropower, wind, sun, ambient heat (heat pumps), solid biofuels (wood and wood waste, straw), biogas, biofuels, renewable municipal and industrial waste) is rapidly expanding, taking into account the country's international commitments and energy policy objectives.

## **Hydrogen**

To create a sustainable and green future transport system, Lithuania is ready to change the travel structure of the future, ensure environmentally friendly public





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transport, increase electric mobility, use of hydrogen and other alternative fuels and promote sustainable urban mobility.

One crucial, expected change is the new future structure for day-to-day travel and freight transport, which encourages the harmonization of different modes of transport. The aim is to keep urban and suburban public transport vehicles for local journeys clean, powered by alternative fuels, and to use electric or hydrogen buses and trains as long-distance transport. Under the Alternative Fuel Act, from 2029, all public road passenger transport will have to be adapted to the use of alternative fuels.

Hydrogen gas is seen as an important energy source for the future, in other words, as an alternative to conventional fuels. Gaseous or liquid hydrogen can be used in conventional combustion engines without releasing harmful particles into the environment during combustion. This is one of the most effective ways to address global energy and environmental challenges.

**The European Union: nuclear and gas power plants are needed to combat climate change.**

Renewable energy sources are the main energy destination of the EU. Still, they cannot provide electricity when the sun is not shining, or the wind is insufficient. The alternative to these renewable sources is nuclear energy and natural gas.

On the 23rd of October, 2021, at the end of the summit of Group-27 in Brussels, the President of the European Commission, Ursula von der Leyen, stressed that the European Union must maintain nuclear and gas power plants as stable energy sources. As the Community moves towards a low-impact economy, the EU must drastically reduce its carbon emissions, making it clear that more renewable sources





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and clean energy are needed. The cost of renewable sources, such as wind and solar power plants, has fallen, and they are not dependent on imports, thus giving the EU "a lot of independence." However, in addition to these power plants, "we need a stable source, i.e. nuclear one, and of course natural gas for the transition period," added Ursula von der Leyen, head of the EU executive body.

Nuclear power plants hardly emit carbon dioxide into the atmosphere, and gas, the least polluting type of fossil fuel, provides an opportunity to stabilize energy production while alternative sources are developed.

A discussion has been launched in Lithuania. President Gitan Nausėda proposes to reconsider the idea of a nuclear power plant, though not as big as the power plant of Ignalina was. The Minister of Energy supports the idea, with the demand for electricity growing drastically after petrol or diesel cars are banned. At that time, renewables may not be enough.

Germany shut down three nuclear power plants on New Year's night and intends to close the last three remaining ones this year. However, same Germany, Japan and other countries are developing a new generation of reactors that fit into a marine container, are easy to build and are said to be way safer.

In France, nuclear power plants account for 70% of the country's electricity consumption, and much of it is exported. The country is now preparing to resume the construction of nuclear power plants. French President Emmanuel Macron has called for the nuclear industry's "renaissance" of his country, saying he would like up to 14 new reactors to emerge in France to help the country abandon fossil fuels.





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Strengths, weaknesses, opportunities and threats related to the achievement of the objectives of the European Green Agreement in Lithuania

### Strength:

1. In the energy sector, Lithuania is moving more extensively towards the use of renewable energy sources (hereinafter referred to as RES) through the successful implementation of the planned measures, which have reduced GHG emissions in the energy sector.

2. The solar technology and biomass industry have been developed, acquiring competence in the use of technologies for energy production. The transition to RES is economically, socially and politically acceptable, leading to the development of state-of-the-art technologies that are increasingly affordable.

### Best practice. New technologies - solar power plant in Lithuania

SoliTek, founded in 2009, belongs to BOD GROUP and is today the leading supplier of solar solutions in northern Europe. It is the only company in Europe that manages its entire production process, from solar cell research, technological development, and the production of modules to the design and installation of solar power plants. The company collaborates with Europe's largest solar technology research centres.

Most of the production is exported. The main countries where SoliTek solar panels are successfully used are the Netherlands, Germany, France, Turkey, Ukraine, and Scandinavia. The company exports more than 80% of the solar modules produced.





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SoliTek production centre in Vilnius develops and manufactures solar cells and modules of different energy efficiency and technological types. Its production is widely adaptable in private houses, public facilities, industry and solar parks.

Selling solar modules is only one type of company's activity. As well, solar power plants and solar parks are installed, and after installation, the company maintains the equipment. SoliTek has been sustainably producing solar modules for years, using renewable energy and recycling some of the waste and glass cullet generated.

The company is working hard to find solutions for integrating solar power plants into the building. For example, SoliTek has installed solar power plants as a facade, a house roof, a shade or a car roof.

SoliTek, together with scientific institutions, universities and research centres, is active in solar technology research, helping to develop increasingly energy-efficient solar modules. The company is looking for new ways to make more efficient use of solar energy in the transport sector. The company significantly increases its solar modules' efficiency, durability and resilience to external factors and tries to optimize the operation of each installed solar power plant. Solar modules have been certified as an organic product that so far remains the most environmentally friendly in the world.

With the growing demand for environmentally sustainable solar modules in Europe, SoliTek has launched a long and demanding certification process for Cradle to Cradle (C2C), which will allow the glass-glass modules manufactured in Vilnius to be defined as 100% sustainable product. This product will meet all the requirements of the circular economy. The company expects to complete the certification process as early as this year.





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THE C2C certificate defines 5 essential components that allow 100% circular economy compliant product to be manufactured:

- Environment-friendly. All materials used must be environment- and human health-friendly.
- 100% recyclable. The product and its components must be 100% recyclable or reusable.
- Energy-saving. Renewable energy must be used in the production process.
- Water-saving. As little water as possible must be used in the production process, and the water used must be removed from the production process cleaner than it has been picked up.
- Socially responsible. The company must treat all sides, i.e. suppliers, partners, employees, etc, fairly.

Unfortunately, there is no trade union in the company, but we believe it is in the interests of workers to work energetically. A job in which a person feels comfortable, is valued and delighted to perform the tasks entrusted to him is a value and a prerequisite for each employee to feel good while working effectively.

By increasing the capacity of the solar module plant, refurbishing equipment and updating the range of solar modules, exports were increased by 70% in the first eight months of 2021.

In 2018, SoliTek also started to provide solar installation services in the Lithuanian market. In Lithuania, support is currently being provided for the purchase of solar power plants. You can set up a solar power plant, a part of a solar park, on the roof of a house, or buy a remote solar power plant. Demand for solar parks is higher than supply. Solar power plant allows electricity costs to be reduced by up to





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70%, and the financial aid recovers up to 30% of the investment. With the help of state aid, the pay-back period is 5-6 years. With a sharp increase in the price of energy resources, the government is also promising to provide another €35 million in European support for residents to buy or install solar power plants.

In 2021, solar module manufacturer SoliTek signed a joint operation agreement with Avesta Battery & Energy Engineering (ABEE) (Belgium) and IMECAR Elektronik (Turkey) on a battery plant in Vilnius. The plant, which will develop autonomous electricity storage systems, is scheduled to become operational in January 2023.

**3.** A system of modernization and renovation of buildings has been established and developed by increasing energy efficiency, reducing energy poverty, and steadily moving towards renovation of residential neighbourhoods.

The crisis in energy prices continues to raise the price of heat during the heating season 2021-2022. Bills for heating services have caused negative emotions and anxiety this heating season. Entering an era of sustainable and green energy, the world is experiencing its first major energy crisis. Experts predict that there may still be more than one such crisis due to energy supply disruptions over the next few decades. The transition period of the green transformation of the global energy system will not be as easy as expected.

"The multiplication of electricity prices makes every kilowatt of electricity consumed literally precious for both private consumers and businesses. This situation forces us all to look for more efficient ways of managing energy and changing its consumption habits," says Tomas Bakanas, head of the product group at Schneider Electric, an international energy management company. According to him, industrial companies and buildings could be as much as 30% more efficient today if artificial intelligence and digital Internet of Things technologies were used to manage energy.





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Although more and more new buildings are built in our country every year, it is also no less common to decide to renovate old buildings. This solution works for many different reasons, and renovation of non-residential and residential buildings can quite often be a really great solution. Renovation of multi-apartment buildings started in Lithuania in 2004. Even though the idea of renovation sometimes is met with scepticism, it is important to appreciate some of the benefits that such a choice will ensure.

The main advantages of building renovation are:

- Renovation of non-residential and residential buildings increases the property's value by about 30 per cent.
- The aesthetic value of buildings also becomes much higher, making the environment much more pleasant.
- Heat consumption decreases by about half.
- The life of renovated buildings can increase by up to 30 years.
- Building maintenance costs can be reduced by up to 80 per cent.

Legislative changes aimed at accelerating the renovation of apartment buildings, proposed by the Ministry of Environment, would help to implement the government's stated goal of renovating a thousand apartment blocks a year. The Parliament approved the draft state budget for 2022, which focuses on the country's security, investment in education, a greener, innovative and high value-added economy, as well as the growth of personal income, and reducing the risk of poverty. The green transformation will receive €366 million, some of which will be devoted to renovation projects for blocks of flats and the development of a system of energy storage facilities.





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4. According to the national GHG accounting report, emissions of the waste sector are relatively low and decreased by promoting waste prevention, expanding separate collection and sorting systems, and implementing technological solutions for reuse and recycling.

### Best practice: reverse vending machines (RVM) in Lithuania

Since the 1st of February 2016, the deposit system for single-use beverage packaging has become operational in Lithuania. At the beginning of 2022, there were 2708 places in Lithuania accepting deposit containers. A deposit of 10 cents shall be issued once the packaging bearing the security system mark has been returned for processing. The system includes metal, glass and plastic beverage packaging bearing the seal of the deposit system. The packaging to be returned must be empty, in its original form, and the packaging labels must be intact, with a clearly visible bar code, otherwise, the RVM may not recognize the packaging. By 2023, the container collection system is scheduled to accept jars and bottles of strong alcohol and milk.

Almost 3.5 million packages were collected during the six years of the deposit system.

5. The Law of the Republic of Lithuania on Alternative Fuel will create preconditions for promoting the use of fuel from RES by imposing obligations on fuel suppliers regarding the supply of fuel from RES, increasing the use of advanced biofuels. The Law on Alternative Fuels aims to promote the use of electricity in road transport, the development of infrastructure for the production, purification and supply of biogas to transport, to support the purchase of alternative fuel vehicles and the development of infrastructure for them. This will allow for a consistent diversification of energy sources in the transport sector, the use of local resources, and the reduction





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of the transport sector's dependence on fossil fuels, reducing the transport sector's impact on climate change.

## Weaknesses:

1. According to the National Greenhouse Gas (GHG) accounting report, the transport sector emits the largest amount of GHG. Almost 96% of transport's GHG emissions (or 30% of the country's total GHG emissions) come from road transport sub-sector and have been increasing for the past seven years. Passenger cars are the biggest emitters of GHG, with an increasing number in the country and an average age of 15. State efforts to change the situation through planning documents are not yet delivering tangible results in reducing GHG, due to the lack of economic and financial instruments, the lack of focus of tax policy on achieving environmental and climate change objectives and behavioural changes.

In Lithuania, it has been proposed to change the taxation of car pollution for quite some time. In 2021, the Ministry of Environment proposed changes to the taxation of car pollution by changing and increasing registration tax and introducing a new use tax to be paid annually. The objective would be to increase pollution taxation in order to affect the entire fleet, not just acquisitions. In addition to the tax of entry into Lithuania, there would be an annual user charge. Changing the current motor vehicle tax would encourage residents to switch to at least a third less polluting cars, halving the proportion of diesel cars in the park (now 70%). Given that electric cars are expensive and not all residents are able and willing to use public transport, the goal was to increase the number of petrol-powered vehicles. However, the parliament has not approved a new pollution tax on vehicles.





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There is a lack of infrastructure for electric car charging stations in Lithuania. As the number of electric cars grows every year, the network of charging points is also expanding. There are currently about 360 charging points in the country. Another 5 thousand public stations should be installed, and private stops will be additionally financed. Tens of thousands more of such stops will have to emerge in the future.

Can a regular factory worker, a regular citizen, afford to buy an electric car today? Obviously – no. Besides, let's look at someone who has a powerful car and drives 100-150 km a day. Is his car less polluting than the old car of a retired citizen who drives 7 or 10 km to a neighbourhood store one time a week?

Let's discuss electric cars. While car manufacturers are pledging to develop electric car technology further and further, the question remains: are electric cars really as "green" as advertised? Much depends on how electricity is produced. The topic of manufacturing and recycling of lithium-ion batteries for electric vehicles is essential, and there are problems with raw materials: extraction of raw materials, hazardous waste, high water consumption.

Another topic is the Mobility Package. Transport uses a lot of fossil fuels. A part of the Mobility Package, mainly related to the regulation of drivers' working and rest periods, has already entered into force last year. Another part will come into force in February 2022. From the 2nd of February, carriers will have to adapt to the rules on posting new drivers and calculating wages. However, an increase in anxiety is expected on the 22nd of February, when the requirement to return each towing vehicle every eight weeks to the country of registration comes into force. How much fuel will be consumed?

On the other hand, it has been observed that wind, solar, water power plants - that is, powered by renewable natural resources - are unable to supply the state with





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sufficient electricity. And it will be increasingly needed when nature-polluting petrol or diesel cars are abandoned and less polluting electric cars are prioritized.

To use solar energy without an external network at home, we need to be able to generate and accumulate enough energy for the periods when the sun is not shining. And here comes another challenge, solar panels.

2. In Lithuania, agriculture is the third-largest emitter of GHG in Lithuania. Financial support from state and EU funds has so far focused mainly on the use of intensive farming methods. Farmers often lack competence, knowledge, motivation and incentives to switch to new technologies.

3. There is insufficient cooperation between research institutions and businesses to carry out research, promote experimental development and innovation and introduce the latest low-GHG technologies in individual sectors of the economy.

4. About 66% of Lithuanian buildings fall under class C in the energy performance class of the building. Energy use in such buildings is very inefficient. Slow renovation and modernization of buildings can have severe economic and social consequences in the long term, especially in the residential sector.

5. A large part of the country's population does not have the option to change and select a housing heat supplier, thus contributing to the development of heat generation from less polluting sources.

6. The agricultural sector does not have an accounting system for emissions and absorption of GHG at the farm level, which would provide an economic incentive to reduce GHG emissions to economic operators.

## Opportunities:





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1. EU legislation and national planning documents, individual economic sector development programmes for a sustainable transition to climate neutral effects, low GHG emissions, resilient to climate change economic development set out a clear direction that will provide the right conditions for planning long-term investments in RES, energy efficiency improvement measures and reductions in GHG emissions.

2. The EC Communication "Strategy for Sustainable and Smart Mobility" sets out how the EU transport system can deliver green digital transformation and build resilience to future crises. This Communication aims to reduce GHG emissions by 90% by 2050 by developing an intelligent, competitive, safe, accessible and accessible transport system.

3. The EU's hydrogen strategy has been adopted to strengthen the role of hydrogen in the industrial and transport sectors (heavyweight transport, maritime transport, aviation). The EU GHG reduction initiative in the transport sector and the intensive development of low-GHG technologies will increase their affordability and contribute to national air pollution reduction targets.

4. The priorities of the multiannual financial framework for 2021-2027 and the Next Generation EU initiative have a target of at least 30% EU structural and investment funds (around €547 billion), aiming to meet climate change goals, will help to direct EU and public budgets towards sustainable investments, attracting private sector funds to all sectors of the economy.

5. The transformation of the energy system into low-emission technologies will reduce Lithuania's dependence on imports of fossil fuels and strengthen energy independence.





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6. EC Communication "Investing in a smart, innovative and sustainable Industry — A renewed EU Industrial Policy Strategy" defines the need to prepare for a broad industrial transformation by preparing and implementing directions of innovation development and dissemination, digitization and circular economy, ensuring industrial integration into Europe's strategic value chains through smart specialization. It is underlined that accelerated transformation, using best practices, waste energy, biomass and electrification, will help modernize the EU industry by increasing opportunities to lead in clean technologies and gain a competitive advantage against world markets.

7. Successful implementation of climate change mitigation measures will ensure a cleaner environment and positively impact human health. Number of extreme events and losses caused by climate change will be reduced by stabilizing the global climate system, and illness and death cases will be reduced due to better air quality.

8. Widespread energy efficiency programmes and energy savings in the medium and long term will improve the financial situation of the population and businesses, in particular, by encouraging energy-producing consumers and housing renovation.

9. As the need for technology and digitization to reduce GHG emissions increases, business models will change, new jobs will be created, and the need for retraining workers through innovative technologies will grow.

### Threats:

1. High socio-economic sensitivity may delay decisions to limit the use of fossil fuel cars, leading to increased fuel consumption and GHG emissions. Urban sustainable mobility plans focus solely on the development of physical infrastructure





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and not on behavioural changes, avoiding prohibitions and restrictions, would pose a threat not to change the population's habits towards sustainable mobility alternatives.

2. Increasing environmental requirements may put some companies at risk in terms of competitiveness and increasing regional integrity. Therefore, a uniform application of environmental requirements to domestic and imported production is necessary to preserve enterprises' competitiveness. To increase competitiveness, it is necessary to invest in the introduction of innovative technologies in industrial enterprises, taking into account regional specificities. Financial and regulatory mechanisms are needed to ensure meeting this need.

There are already many companies today that do not withstand a competitive struggle. High prices do not allow the electricity and heat sector to invest in advanced technologies, and without new equipment and technology, the company is forced to pay heavily for energy. So, the company ends up in a vicious circle.

3. An insufficiently efficient training and retraining system for workers in the economic sectors concerned would lead to a shortage of competent staff needed for the development of low-GHG technologies.

### **Climate change mitigation goals and targets in the Lithuanian industrial sector**

By 2030:

- improving energy efficiency in the industrial sector by encouraging the replacement of polluting technologies with less polluting technologies, applying circular economy principles to save resources and prevent





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waste, adapting a wide range of innovative solutions and introducing new business models;

- to encourage the change of polluting industrial processes and raw materials in the main industrial enterprises of the country by supporting programmes for the improvement and reorientation of workers' skills, ensuring a fair transition to climate-friendly technologies;
- to encourage industry to become energy-producing consumers (procumers) through RES;
- to promote the use of hydrogen in industrial processes for the production of fertilizers/other products;
- to promote green hydrogen production pilot projects contributing to reducing the impact of industrial processes on climate change and environmental pollution, diversifying the traditional fuels and raw materials used in the industrial sector;
- to promote wasteless and low-waste production, circular economy models, reuse/recycling of waste and industrial symbiosis in industrial enterprises;
- to promote the rational use of resources, secondary raw materials and more climate-friendly raw materials so that by 2025 the value of the secondary raw material consumption (circularity) index is at least equal to the EU average;
- to promote industrial reorientation, digitization projects and innovation in industrial processes that reduce energy consumption.

by 2050:

- to ensure that industrial companies participating in the EU ETS abandon the use of fossil fuels by 2045, replacing them with RES (green





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hydrogen, sustainable biomass, secondary raw materials and other high-quality climate-neutral raw materials) and other non-fossil resources;

- to ensure a 100% reduction in industry's GHG emissions compared to 2005 by using environmentally safe carbon capture and use technologies.

### Best practice: bikes in Lithuania

One of the goals and objectives in the transport sector is to ensure the development of infrastructure for bicycles and pedestrians by creating an attractive, secure network of bicycles and pedestrian paths integrated into a common transport system, by building or reconstructing at least 600 km of new or existing bicycles and pedestrian paths.

BALTIK VAIRAS currently is the largest bike manufacturer in northern Europe. The factory is located in Šiauliai, in the northern part of Lithuania. The company has been operating since 1948, exporting high-quality bikes to many European countries. 6 production lines produce 1700 different models, and the company is capable of producing 500,000 bicycles a year. Several percent of products remain in the Baltic States, while others travel to 14 countries – Germany, the Netherlands, Denmark, Switzerland, Austria, Finland, etc. The plant has a permanent workforce of 320 people, and the number of employees exceeds 600 during the seasonal peak.

Economic and social aspects are taken into account in order to become the leading player of bicycle production in Europe. The enterprise assumes responsibility for the impact of its activities and the consequences of its actions – as a market participant, employer and community member. In its daily activities, the company is guided by the principles of socially responsible business, human rights, labour force,





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quality, environmental protection and anti-corruption. In addition to complying with the legislation in the above areas, business development aims to be a step forward in protecting the employee's interests, fostering a sustainable environment and fighting corruption.

We are talking about modern production, nature-friendly technologies, and respect for the working person. The use of environmentally friendly water-based paints is intended for quality painting.

ETHICAL BEHAVIOUR PROVISIONS adopted by the company: (excerpt)...

## Freedom of association and the right to collective bargaining

- All workers have, without exception, the freedom to associate (or refrain from joining the association), including the right to establish and join a trade union, in order to protect their interests and the right to conduct collective bargaining.
- We support the trade union and their organizational activity. We provide all necessary tools (information technology and telecommunications equipment, premises, means of Communication, billboards, etc.) to ensure the effective functioning of the trade union committee.
- Workers' representatives are not discriminated against and are free to carry out their representative functions at the workplace.
- We promote the interests of employees and follow the Collective Agreement concluded with them. In accordance with the law and the Collective Agreement signed, all decisions must be coordinated with the trade union.





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- Where freedom of association and collective bargaining are restricted by legislation, the employer must create opportunities and allow other forms of worker influence to develop unhindered.

The company has a trade union of metalworkers. Over 70% of employees belong to a trade union. A collective agreement has been signed, and here is a smooth dialogue with the staff. We wish best of luck!

### **Conclusions**

Lithuania backs up and supports the goals and objectives of the European Green Deal. When comparing Lithuania's strategic documents with the European Green Deal strategy, we note that Lithuania focuses on the areas of pollution reduction, energy, clean transport. There are only isolated measures to decouple economic growth from resource use. The National Progress Plan sets out the sole objective of redirecting industry towards a circular economy. However, the challenge requires greater synergies with the waste management task.

Although the EU's "Green Deal" and national action plan will affect the lives of each company and, in essence, every Lithuanian, we must note that the participation of employees in decision-making on the Green Deal in Lithuania is minimal or completely absent.

The report prepared by Marija Varasimavičienė

Sources: <https://www.lrs.lt>; <https://www.delfi.lt>; <https://www.15min.lt>; <https://eimin.lrv.lt/>; <https://www.wikipedia.org>; <https://ec.europa.eu/info>; <https://urm.lt>; <https://klimatokaita.lt/>; <http://www.baltikvairas.lt>; <https://www.solitek.lt/lt>; <https://lrv.lt/>

