

Mr. Valius Ažuolas
Chair of the Committee on Budget and Finance of the Seimas of the Republic of Lithuania

Mr. Rimantas Sinkevičius
Chair of the Committee on Economics of the Seimas of the Republic of Lithuania

Mr. Saulius Skvernelis
Prime Minister of the Republic of Lithuania

Mr. Vilius Šapoka
Minister of Finance of the Republic of Lithuania

Mr. Žygimantas Vaičiūnas
Minister of Energy and Acting Minister of Economy and Innovation of the Republic of Lithuania

Mr. Marius Skuodis
Vice-minister of Economy and Innovation of the Republic of Lithuania

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BUSINESS SUGGESTIONS IN THE LIGHT OF COVID-19

Dear Parliamentarians and Government leaders,

The Swedish Chamber of Commerce in Lithuania is an independent, non-profit networking organization representing and uniting Swedish companies operating in Lithuania and international companies working within the Swedish-Lithuanian business context. The Association unites around 100 companies that represent Swedish, Lithuanian and European businesses from a broad range of industries. Our aim is to strengthen co-operation, enhance business relations as well as to encourage and expand trade and investment between Sweden and Lithuania.

Unfortunately, in the light of COVID-19, businesses find themselves struggling and fighting to overcome new and global challenges. Companies start investigating new and innovative business solutions in order to survive. The past few weeks have shown us that an increased collaboration between the private and the public sectors makes a state and its people stronger and proves that everyone needs to work together.

Therefore, the Members of the Swedish Chamber of Commerce have joined their forces and initiated an advocacy group in order to bring forth some new and fresh suggestions based on the practices of government-business collaborations in other countries.

The following suggestions have been presented:

1. **Government subsidies for rental of commercial properties.** Every company has certain fixed costs, such as, rent of commercial premises, leasing of equipment and transport. When it comes to the obligation of paying rent for commercial property, some real estate owners, at best case, that are willing to help could propose a 50% or 70% discount of the monthly rent fee for the time of quarantine. However, the problem is more connected to the fact that the company's operations are closed and its income equals to zero. If the same example (of proposal to stop loan payment) would be applied to banks, it is very probable that the bank would increase the margin of credit. Which in the long perspective will create a situation where the credit will be expensive and after some time, the real estate owner will increase the rent fee. This vicious circle benefits no one in current situation. Thus, the suggestion is to issue state subsidies during the time of quarantine for commercial rent of properties for businesses that are closed due to quarantine, along with subsidies for lay-offs.
2. **One-time grant for companies going digital in the light of COVID-19.** Many companies have reinvented their business models and launched new online products or services, also new online employee collaboration platforms, in the light of Corona virus, because their usual operations were stopped. The Government could subsidize the companies with a small one-time "go-digital" grant.
3. **Medical training for non-medical staff and volunteers (Swedish example).** As there is an increase in doctors falling ill of COVID-19 virus, regular individuals or companies' employees could serve as a useful replacement source. Allow public or private medical clinics to train individuals (especially those on lay-off) in relevant para-medical courses to help tackle the current Corona pandemic – Government could subsidize these volunteer trainings.
4. **Increased COVID-19 testing as a commercial service for businesses.** As medical equipment and the capacity to run tests is available nationally, businesses could be allowed to pay for the testing service in order to permit employees to return to work if tested negative. In this case, more employees would be able to return to work earlier than after the lift of the quarantine. Currently it is difficult to understand why testing is restricted – because it is expensive for the government or because it is not available? If it is available, self-paid testing should be permitted as soon as possible.
5. **Education of employees during downtime to increase the company competitiveness (example of Sweden).** Companies that are unable to continue with their regular operations and might have staff on lay-off should be allowed to offer employees some distance training at home, and this should not be considered as „working“ which results in losing Government's support for lay-offs. This would help to develop new staff competencies and prepare businesses for the upcoming post-quarantine crisis period.
6. **Temporary kindergarten allowing parents to return to work.** Austria, Denmark and Norway are planning to re-opening the kindergartens right after the Easter, in order to allow parents to return to work. The kindergartens could take all necessary measures to assure health safety, apply the 1,5+2 meters rule, disinfect the premises and permit only small groups of children. Another alternative could be for the Government to support businesses that could open small kindergarten-alike activity groups within the company's premises (all costs covered by the employer). Many more parents would be able to return to work and the economy would not be halted.
7. **Centralized government platform for information sharing.** Many new measures have already taken place on the Governmental level when it comes to assistance of businesses during COVID-19, however, the information is spread out. A centralized portal, directly under the rule of the Government, would both secure the information flow as well as assist businesses in finding the answers.

We kindly invite you to an open dialogue and hope to be able to contribute with some Lithuanian-Swedish business expertise.

On behalf of the Members of the Swedish Chamber of Commerce in Lithuania

Sincerely,

Lina Šiumetė

Chairperson of the Association