**Information provided by the Republic of Lithuania to Working Group on the issue of human rights and transnational corporations and other business enterprises.**

1. *How can States better advance human rights-compatible energy transition laws and policies that ensure responsible business conduct in all aspects of energy transition efforts and programs (e.g., including, but not limited to, design, approval, financing, implementation, and reporting of energy transition programs)?*

The regulation at State level should regulate the activity in energy transition programs and projects through companies’ responsibility in evaluating their business through 1) environmental aspects: evaluation of business influence to air, surface water quality, implementation of preventive measures to pollution; 2) society right to information and right to express opinion: publicity of planned activity, publication of documentation, possibility of discussion on these documents, public information on the environmental pollution matter; 3) employment relations: employees right to decent working conditions, assurance of safe work environment through instructions on the activity, education, compliance with safety requirements on operations used in business activity.

In order to advance human rights-compatible energy transition laws and policies, State should seek to activate the exchange of good practices, “lessons learned” between the energy sector companies.

Also States could create conditions and possibilities (or strengthen what has already done) for final energy consumers, customers or network (e.g., gas, electricity transmission, distribution network) users to have access to the information on large scale or greater impact (e.g, on environmental conditions, human or business behavior) energy projects under consideration, planned to be implemented or implemented, to provide the opinion on such projects (and to get feedback, undoubtedly) or request for additional information (e.g., on the costbenefit analysis and welfare to be created or created by these projects, etc.), if it seems, that not all relevant information was publicly disclosed or disclosed not in proper or clear way.

All these measures would contribute to ensuring human rights in energy transition.

1. *Are you aware of any measures, both mandatory and voluntary, at national, regional, and international levels to foster business respect for human rights in the extractive sector, especially in the context of energy transition plans, programs and activities? If so, are these measures effectively enforced and do they provide the necessary coverage in light of evolving circumstances, including energy transition plans? Is greater clarity necessary in some areas of law and policy? What measures may reasonably correct this situation?*

The United Nations Global Compact (voluntary initiative) and The OECD Guidelines for Multinational Enterprises. On the national level in Lithuania, we have the Labor Code which forbids discrimination, sexual and another kind of harassment when it comes to any aspect of employment. From 2023 in Lithuania there is a possibility to include social criteria (human rights protection, higher social standards for employees, etc.) in the public procurement procedures. From the perspective of the energy transition plans, programs and activities there are Law on Environmental Impact Assessment of the Proposed Economic Activity of the Republic of Lithuania, Republic of Lithuania law on territorial planning, and other legislation, that provide the procedures for harmonization of the detail plans, design, land use, etc. with the society.

The more clear rules are expected then the EU Corporate Sustainability Due Diligence Directive (CSDDD) will be transposed into national law.

The measures promoting business respect for human rights are related to publicity of good practices of companies in relation to human rights, such as rewards of governmental institutions in respect of zero tolerance for corruption, honoring good achievements of companies in the field of employees’ safety, etc. The State should welcome the initiatives of retraction of communities to express opinions, comments on subjects matter in energy transition plans, discussion even on unfavorable experiences should be welcomed. Such practices could encourage businesses to look for and create new strategies for the energy transitions programs.

The initiative of communities to express opinions, comments - discussions even of unfavorable experiences, it encourages business enterprises to look and create new strategies.

1. *What mechanisms or processes should exist at the State level (e.g., inter-ministerial committee, ex ante human rights impact and risk assessment) to assess and ensure that extractive sector operations, including the production and distribution of transition minerals, do not impact negatively human rights? Are these measures effectively enforced and do they provide the necessary coverage in light of energy transition plans, programs and activities?*

State regulates that all procedures and measures implemented for the activities in certain energy sector are in line to ensure safe processes of activity to the employees, community, and surrounding environment.

In process of energy transition plans, programs and activities, State should ensure the rights of employees by sponsoring the requalification programs, as well as programs for preparation of needed professionals, educators, and instructors in the needed area of energy transition, as well as arranging international consulting and publication of good practice of international companies in the energy transition field. Also every mechanism and process on the national level should be in line with the requirements of the upcoming EU Corporate Sustainability Due Diligence Directive (CSDDD).

1. *How do States encourage and regulate communication of energy transition efforts by business in the extractive sector, including State-owned enterprises (SOEs), to avoid the publication of misleading or unsubstantiated claims or reporting of an entity’s energy transition programs? Do these measures sufficiently ensure the adequacy, accessibility, reliability, and accuracy of information?*

State-owned companies are encouraged to publish their plans, reports and strategies in accordance with legislation. State-owned companies, taking into account the shareholder's expectations, must constantly communicate with the shareholder, ensure the provision of relevant information.

1. *Do current concessions, contracts, and bilateral investment treaties in the extractive sector aid or constrain domestic regulatory space available to States to meet their international human rights obligations in the context of the energy transition? What further changes in key provisions and licensing/procurement processes are desirable to advance energy transition in alignment with the UNGPs?*

Concessions, contracts, and bilateral investment treaties are in line with domestic regulatory space.

1. *What are the gaps in the development and implementation of existing National Action Plans, legislation, and domestic, regional, or international frameworks (e.g., the Paris Agreement or climate change laws) on business and human rights, particularly in relation to the extractive sector, which if addressed will advance a just and human rights-based energy transition?*

There are no specific gaps, but national legislation and plans (such as the National Energy Independence Strategy, which will be updated in the near future) are reviewed and improved to ensure the energy transformation - the transition to green energy, among other things, ensuring human rights in all these processes.

1. *How can energy transition policies, programs, plans and activities in one State have adverse human rights impacts outside of their territory or jurisdiction (including supply chain issues and sourcing)? What measures may reasonably correct this situation?*

Taking into account the activity of State-owned enterprise ‘’Klaipėdos nafta’’ (hereinafter – KN) as operator of FSRU, FSRU ensures access of LNG not only to Lithuanian companies, but to the companies of other neighbouring countries as well. In such way, FSRU ensures the rights to access to energy sources to citizens of neighbouring countries as well. Activity of FSRU is State regulated sector, therefore the interest of Lithuanian and neighbouring citizens on the ensuring of the supply of energy sources is strictly supervised. In case to avoid negative effect on human rights related aspects, the coordination between the State institutions and the State institutions of neighbouring countries is very important in cases related to the safe and long-lasting operation of FSRU, especially in cases of possible closure of the projects in future energy transition plans.

In general, every energy transition policy, program, or plan should include minimal social safeguards (in line with the principles of the United Nations Global Compact or The OECD Guidelines for Multinational Enterprises). On the scope of the European Union, the upcoming EU Corporate Sustainability Due Diligence Directive will be quite sufficient.

1. *How can States harness the potential of energy transition to accomplish important policy objectives related to human rights, such as achieving local empowerment, gender equality, protection of the environment, mitigation of climate change and realising the Sustainable Development Goals?*

States and business enterprises in the extractive sector should integrate human rights into their energy transition plans and programs. They should conduct Human Rights Due Diligence assessments, develop and implement a human rights policy.

**Corporate responsibility to respect human rights**

1. *What roles should business enterprises in the extractive sector play to integrate human rights into ongoing energy transition plans and programs to address adverse human rights impacts? Please provide examples if possible.*

Business enterprises in the extractive sector should integrate human rights into their energy transition plans and programs. They should conduct Human Rights Due Diligence assessments, develop and implement a human rights policy, engage with affected communities and stakeholders, establish grievance mechanisms, provide human rights training, and report publicly on their human rights performance.

Furthermore, it is important to pay due attention to the existing employees of the companies, try to ensure the requalification of the employees in energy sectors, to pay attention to middle age and senior employees and provision of comfort for ability to work in new energy sector.

Also companies should identify and prevent, mitigate or end any adverse impacts of their activities on human rights and the environment, such as child labor, worker exploitation, pollution, and biodiversity loss. This will ensure sustainable and responsible corporate behavior throughout global value chains, bring legal certainty, create a level playing field for businesses, and provide transparency for consumers and investors.

Additionally, companies should align their business strategy with limiting global warming to 1.5°C in line with the Paris Agreement, while providing workers access to safe and healthy working conditions that comply with international conventions.

1. *Are human rights provisions, for example in existing concessions, contracts, and bilateral investment treaties, effective in encouraging businesses in the extractive sector, including investors, to respect all internationally recognised human rights? If not, what should be done to strengthen their efficacy?*

In our opinion, in the energy sector, human rights provisions in existing concessions, contracts are effective in encouraging businesses in the extractive sector, including investors, to respect all internationally recognised human rights. Participants in the energy sector should always evaluate the above-mentioned aspects when concluding contracts and, if necessary, immediately initiate changes to contracts.

1. *Should concessions, contracts, and legislation require all business enterprises producing, purchasing, processing, and distributing transition minerals to apply and implement human rights-based impact and risk assessments and due diligence standards, including gender-responsive HRDD and heightened HRDD for conflict-affected areas? If so, how could such processes ensure meaningful participation of impacted communities, particularly vulnerable and historically excluded groups?*

At least in the European Union, such a requirement will be mandatory for large companies (no matter the industry they are operating in) after the EU Corporate Sustainability Due Diligence Directive comes into force. For non-EU companies, The OECD Guidelines for Multinational Enterprises should be sufficient.

Meaningful participation of impacted communities should be guaranteed case by case (via stakeholder mapping procedures). The participation of communities should be addressed in the same procedure (or at least by the same principle) which is described in the Aarhus Convention.

Considering the Law on Assessment of the Environmental Impact of Planned Economic Activities, the business enterprises are obliged to assess the impact of the planned activities on the nearby communities and environment. In the case of SOE’s , such assessments should be done in all fields of their activities.

Business enterprises should regularly communicate with the nearby community, listen to their requests and complaints, initiate various activities by taking participation in for communities’ interests.

1. *How could extractive sector associations, higher education institutions and other stakeholders promote awareness and encourage human rights-compatible business practices (e.g., addressing greenwashing and green scamming practices)?*

Prepare and adopt a sectoral code of conduct, which would include voluntary (or mandatory in line with upcoming EU regulation) requirements to ensure minimal social safeguards, social due diligence procedures as well as practices and procedures which would let to identify, report and avoid greenwashing and green scamming practices. Also an effective way for business enterprises to promote awareness and human rights-compatible business practices is communication through activities in associations by intense cooperation with educational institutions, encouraging the creation and adaption of educational programs to correspond to the changing business practices in energy transition sectors, more active approach to human rights matters by developing new standards, guidelines applicable to energy sector participants in cooperation with the energy sector companies.

**Access to remedy**

1. *What measures and mechanisms should be provided by extractive sector legislation, bilateral investment treaties, concessions, and contracts to allow individuals or communities affected by extractive activities to seek effective remedy for business-related human rights abuses? What remedies are best suited for this sector?*

Legislation, contracts, company policies and other documents must regulate energy transformation processes in such a way that human rights are not violated. In addition, the above-mentioned documents must necessarily specify the process and responsibility in the event of violations, when established human requirements are not ensured.

1. *Please provide examples of steps taken by States to investigate, punish and redress business-related human rights abuses related to the extractive sector in the context of energy transition projects. Are the steps and redress mechanisms effective in terms of both process and remedial outcomes?*

At this time, we could not identify business-related human rights violations related to the extractive sector in the implementation of energy transition projects, as well as cases of punishment.

1. *Are you aware of any cases submitted to judicial and/or non-judicial instances (e.g., national human rights institutions, national contact points, mediation, etc.) regarding business-related human rights abuses in the extractive sector, particularly in the context of energy transition projects?*

Ministry of Energy does not have any cases submitted to judicial and/or nonjudicial instances regarding business-related human rights abuses.

1. *Are current dispute resolution provisions and frameworks in the extractive sector “fit for purpose” to address complaints related to human rights abuses linked to extractive activities and energy transition projects? If not, what are the alternatives for a legitimate, transparent, and effective dispute resolution system to address such complaints?*

Current dispute resolution provisions and systems in the extractive sector are sufficient.

**Good practices and other comments**

1. *Please provide examples of good practices regarding the integration of human rights issues in the extractive sector in the context of the energy transition.*

Some extractive companies worldwide have developed a Human Rights Impact Assessment (HRIA) methodology to assess the actual and potential human rights risks and impacts associated with their operations. They provide human rights training to their employees and contractors and have established grievance mechanisms accessible to affected communities. Public reporting on human rights performance is also common, including efforts to integrate human rights into energy transition plans and programs.

Engaging with affected communities through stakeholder consultations, social impact assessments, and community development programs are also important. Sharing benefits with impacted communities is also critical. These measures are not only important for the extractive sector, but also for renewable energy projects and their impact on human rights in the energy transition context.

In KN practice, in 2014 in starting new activity in LNG supply and starting the operation of FSRU, KN actively provided information to the communities about the new LNG energy source, its impact for the communities in environmental and safety matters. The employees were also involved in the process – KN requalified part of employees from the oil transshipment operations to the LNG transshipment related operations. Today, KN is helping companies in other countries in transition of these processes by consulting on its good practice of LNG, i.e. Brazil, Columbia, Germany, Croatia and Italy.

1. *What specific renewable energy policies, practices and safeguards should be adopted by States and business so that energy transition does not have adverse effects on human rights?*

Every new policy specific to the renewable energy sector should be in line with the requirements of the upcoming EU Corporate Sustainability Due Diligence Directive (CSDDD) or at least to the requirements of the OECD Guidelines for Multinational Enterprises. We believe that to avoid adverse effect on human rights in the energy transition, policies related to the safe environment of communities and employees of business enterprises should be adopted, such as anticorruption policies, codes of conduct for the business enterprise itself and its suppliers, procedures and opportunities for requalification for the employees in transition processes. From State’s point of view, we believe it is important to ensure processes for the acquisition of new competencies in renewable energy sector.