Chapter I. General Provisions

Article 1. Goal of the Law

The goal of the present Law shall be the creation of favorable conditions for the investment of foreign capital in the Lithuanian Republic and the establishment of a procedure for investment.

Article 2. Foreign Investment

Foreign investment is the financial or material investment of a foreign investor in the area of business in the Lithuanian Republic as well as the transfer of rights to intellectual or industrial property to legal or natural persons of Lithuania.

Article 3. Foreign Investor

Legal and natural persons of other states, effecting investments in the Lithuanian Republic, shall be deemed to be foreign investors.

Article 4. Forms of Effecting Foreign Investments

The following forms of effecting foreign investments are permitted in the Lithuanian Republic: a share in a joint enterprise, an enterprise formed with foreign capital, and the acquisition of shares and other securities of enterprises of the Lithuanian Republic.

Article 5. Areas for Effecting Foreign Investments

Foreign investments shall be permitted in all areas of business activity with the exception of those that are prohibited by legislation of the Lithuanian Republic.

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Article 6. Guarantees for Foreign Investment

Foreign investment, income, and the rights and lawful interests of foreign investors in the Lithuanian Republic shall be protected by the Lithuanian State.

Discrimination against foreign investment in any form whatsoever shall be prohibited.

Disputes relating to the infringement of rights and lawful interests of foreign investors shall be heard in the courts of the Lithuanian Republic. Foreign investors shall also be entitled to submit disputes for resolution to agencies of foreign states or to international bodies.

Guarantees established by international treaties of which the Lithuanian Republic is a signatory, as well as benefits provided for by the present Law, shall be applied to foreign investments.

Article 7. Application of the Provisions of Laws and International Treaties of the Lithuanian Republic to Foreign Investments

The rules established by laws of the Lithuanian Republic regarding the subjects of commerce in Latvia shall be applied to the production and commercial activities of foreign investors with the exception of the special provisions for their activities provided for by the present Law as well as by the terms of international treaties of which the Lithuanian Republic is a signatory.

If the terms established by international treaties of which the Lithuanian Republic is a signatory are in contravention with the laws of the Lithuanian Republic, the terms of the international treaty shall be applied except for reservations thereto made by the Lithuanian Republic.

Chapter II. The Procedure for Investing Foreign Capital

Article 8. Permit for Effecting Foreign Investment

Upon receipt of an application to effect foreign investment, an agency duly-authorized by the Government of the Lithuanian Republic shall render a decision thereon no later than thirty days thereafter. Where an affirmative decision has been rendered, a permit shall be issued for effecting foreign investment. A new enterprise that is established on the basis of such permit shall be registered with the Ministry of Commerce.

Where a negative decision has been rendered by a duly-authorized agency of the Government of the Lithuanian Republic, this shall be communicated to the applicant together with the reasons therefor based on the laws and other normative acts of the Lithuanian Republic. The applicant shall be entitled to submit a second application to effect foreign investment taking into account the comments that have been made.