



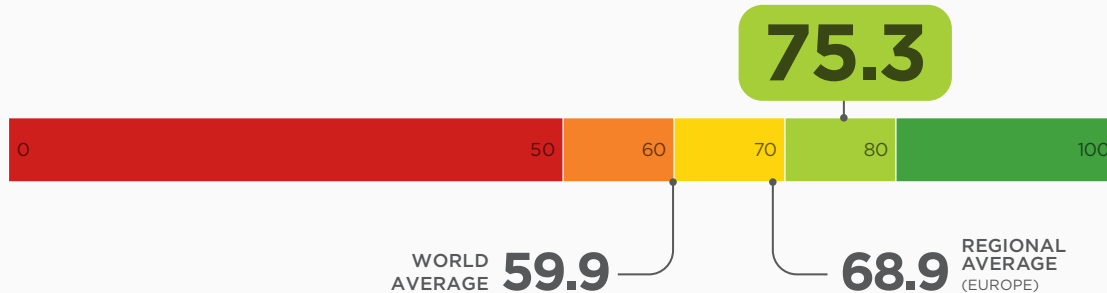
WORLD RANK:	REGIONAL RANK:
15	10
ECONOMIC FREEDOM STATUS:	
MOSTLY FREE	

LITHUANIA

Lithuania's economic freedom score is 75.3, making its economy the 15th freest in the 2026 *Index of Economic Freedom*. Its rating has increased by 0.7 point from last year, and Lithuania is ranked 10th out of 44 countries in the Europe region. The country's economic freedom score is higher than the world and regional averages. Lithuania's economy is considered "mostly free" according to the 2026 *Index*.

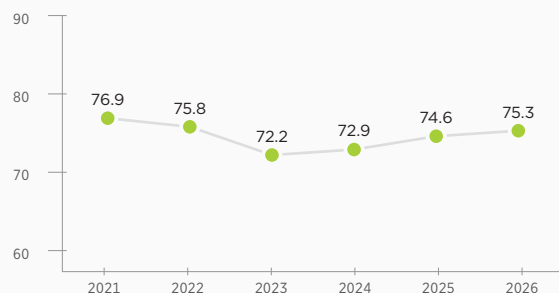
Lithuania's transition to a free-market economy is facilitated by the rule of law, structural reforms, and an increasingly vibrant private sector. Competitive taxation, a relatively efficient regulatory system, and policies that open Lithuania to global commerce and trade have encouraged more dynamic and more broadly based economic expansion. The entrepreneurial framework is fairly streamlined and efficient. Business formation and operation take place without bureaucratic interference. Despite some reform, the labor market remains relatively rigid.

ECONOMIC FREEDOM SCORE



HISTORICAL INDEX SCORE CHANGE (SINCE 1996): +25.6

RECENT FREEDOM TREND



QUICK FACTS

POPULATION:
2.9 million

GDP (PPP):
\$157.0 billion
2.7% growth in 2025
3-year average growth rate: 2.0%
\$57,201 per capita

UNEMPLOYMENT:
7.6%

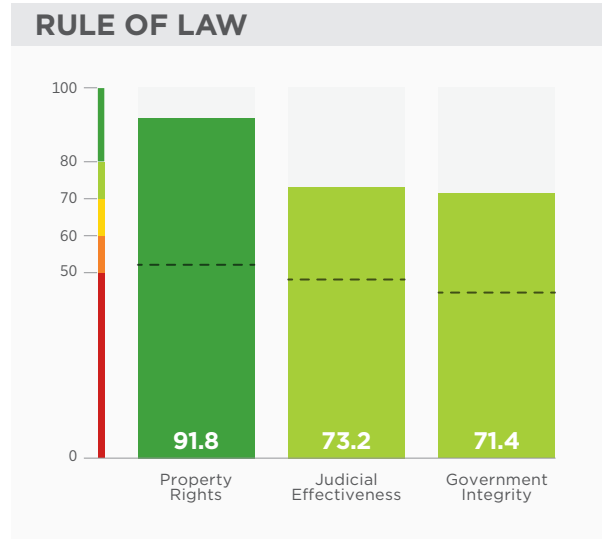
INFLATION (CPI):
0.9%

TRADE AS % OF GDP: 143.0%

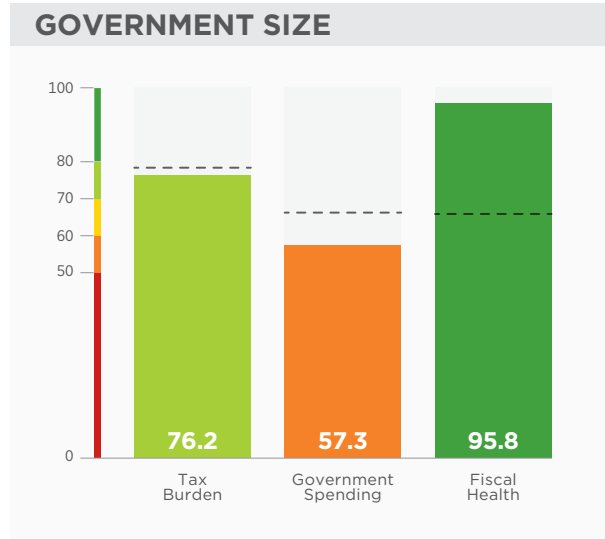
PUBLIC DEBT:
38.2% of GDP

2025 data unless otherwise noted. Data compiled as of January 2026.

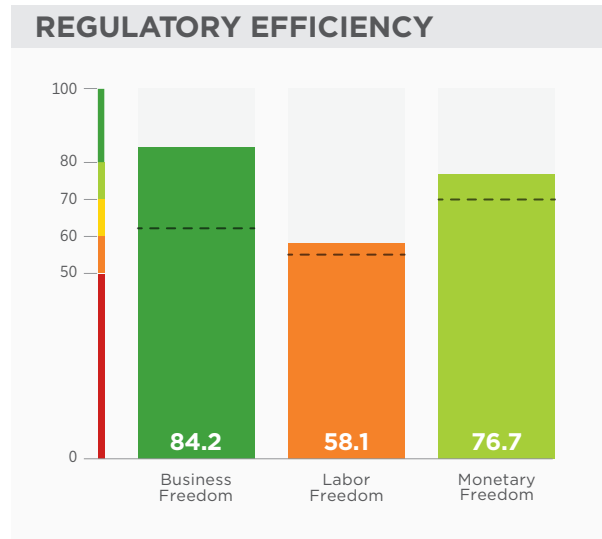
12 ECONOMIC FREEDOMS | LITHUANIA



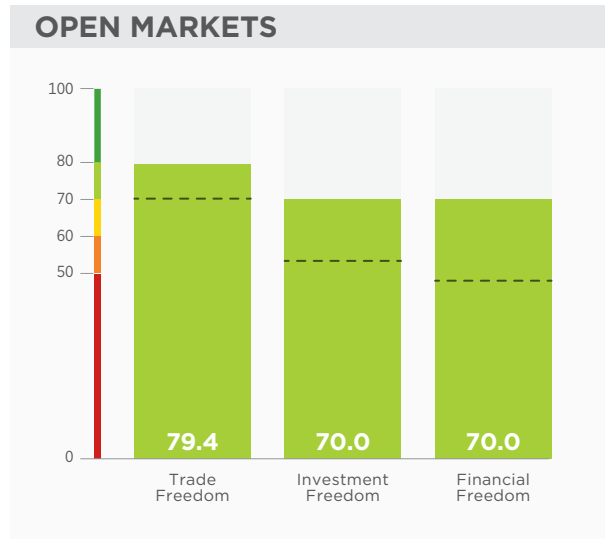
The overall rule of law is well respected in Lithuania. The country's property rights score is above the world average; its judicial effectiveness score is above the world average; and its government integrity score is above the world average.



The top individual income tax rate is 32 percent, and the top corporate tax rate is 16 percent. The tax burden equals 33.1 percent of GDP. Three-year government spending and budget balance averages are, respectively, 37.7 percent and -0.9 percent of GDP. Public debt amounts to 38.2 percent of GDP.



Lithuania's overall regulatory environment is well institutionalized and relatively efficient. The country's business freedom score is far above the world average; its labor freedom score is above the world average; and its monetary freedom score is well above the world average.



The trade-weighted average tariff rate (common among EU members) is 2.8 percent, and numerous EU-mandated nontariff measures are in force. The relatively sound regulatory framework facilitates foreign investment. The financial sector offers a full range of services, and the banking system is stable.