



Caritas of
Vilnius
archdiocese



EUROPEAN ANTI-POVERTY
NETWORK LITHUANIA

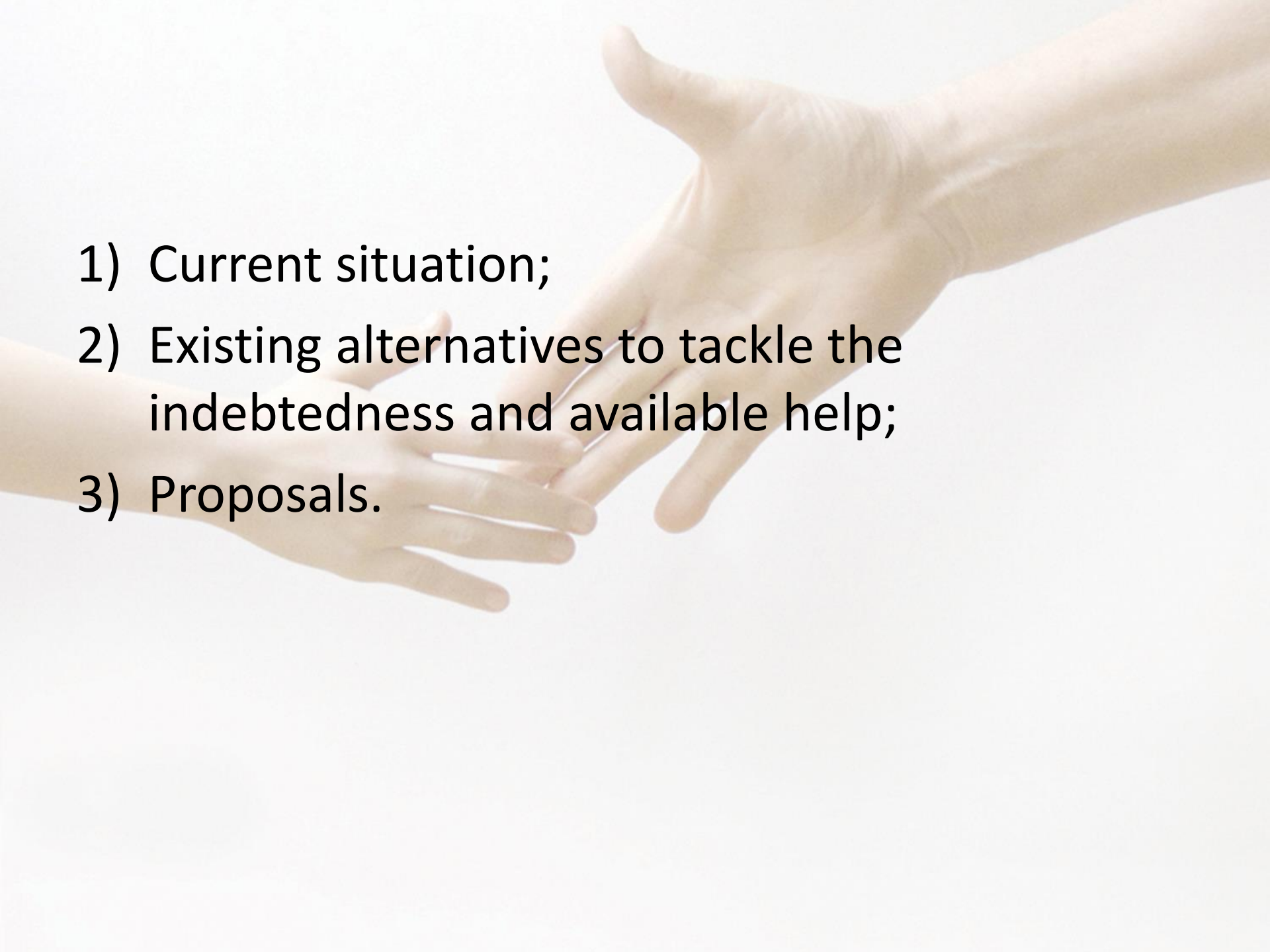


Study of **The problem of indebtedness of people experiencing poverty in Lithuania**

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Vilnius archdiocese Caritas

A close-up photograph of two hands, one from the left and one from the right, reaching towards each other. The hands are positioned as if about to clasp or support each other. The background is a plain, light color.

**NO ONE WINS IN WAR, BUT
THE MOST VULNERABLE
LOSE**

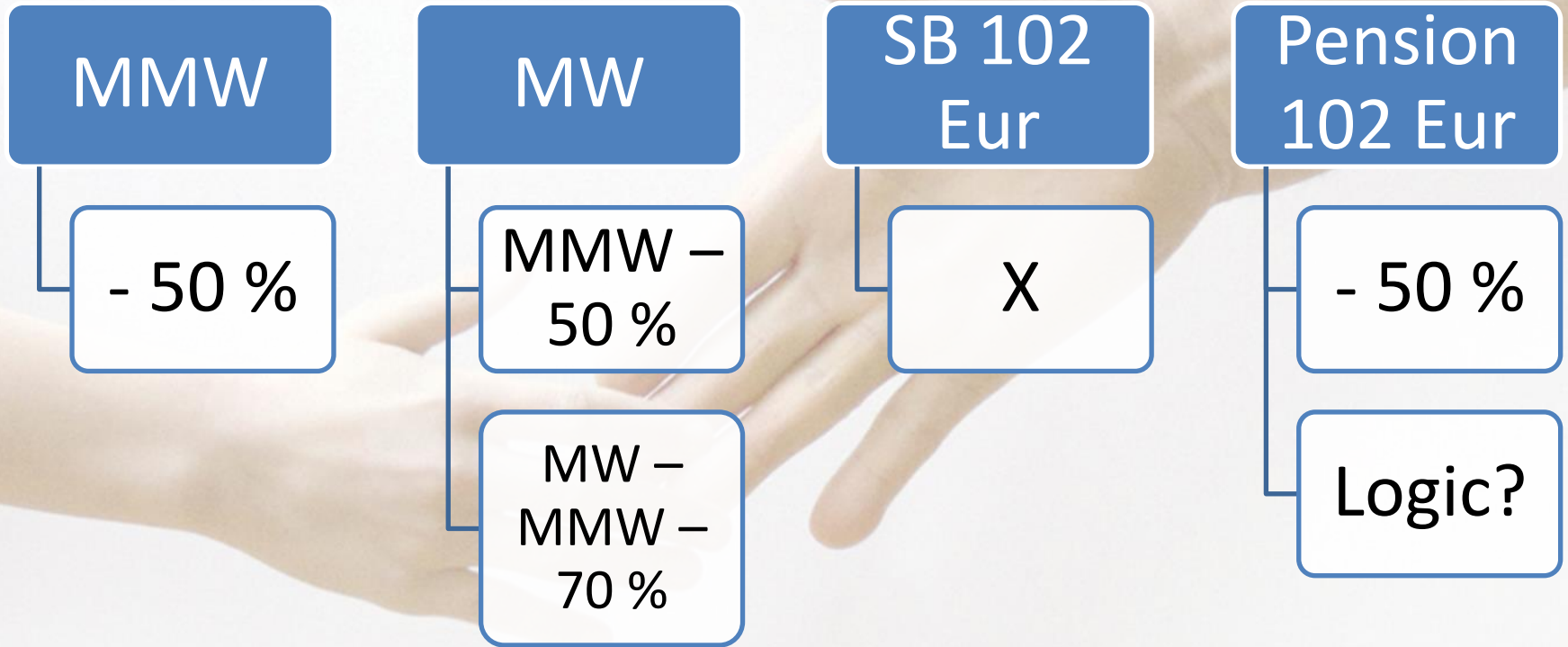
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- The image shows two hands, one from the left and one from the right, reaching towards each other. The hands are positioned as if they are about to clasp or support each other, set against a plain, light-colored background. The lighting is soft, highlighting the skin tones and the texture of the hands.
- 1) Current situation;
 - 2) Existing alternatives to tackle the indebtedness and available help;
 - 3) Proposals.

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- A close-up photograph of two hands, one from the left and one from the right, reaching towards each other. The hands are positioned as if about to clasp or support each other, set against a plain, light-colored background. The lighting is soft, highlighting the skin texture and the veins on the hands.
- 5 in-depth interviews with social workers;
 - 4 In-depth interviews with indebted persons;
 - A questionnaire filled out by specialists from 53 Network organisations.

A background image showing two hands, one from the left and one from the right, reaching towards each other in a gesture of support or offering. The hands are light-skinned and positioned in the center-right of the frame.

Most common causes of getting in debt:

1. Fines for public transport;
2. Utility arrears;
3. “Quick” credits;
4. Overdue loans.



One exception



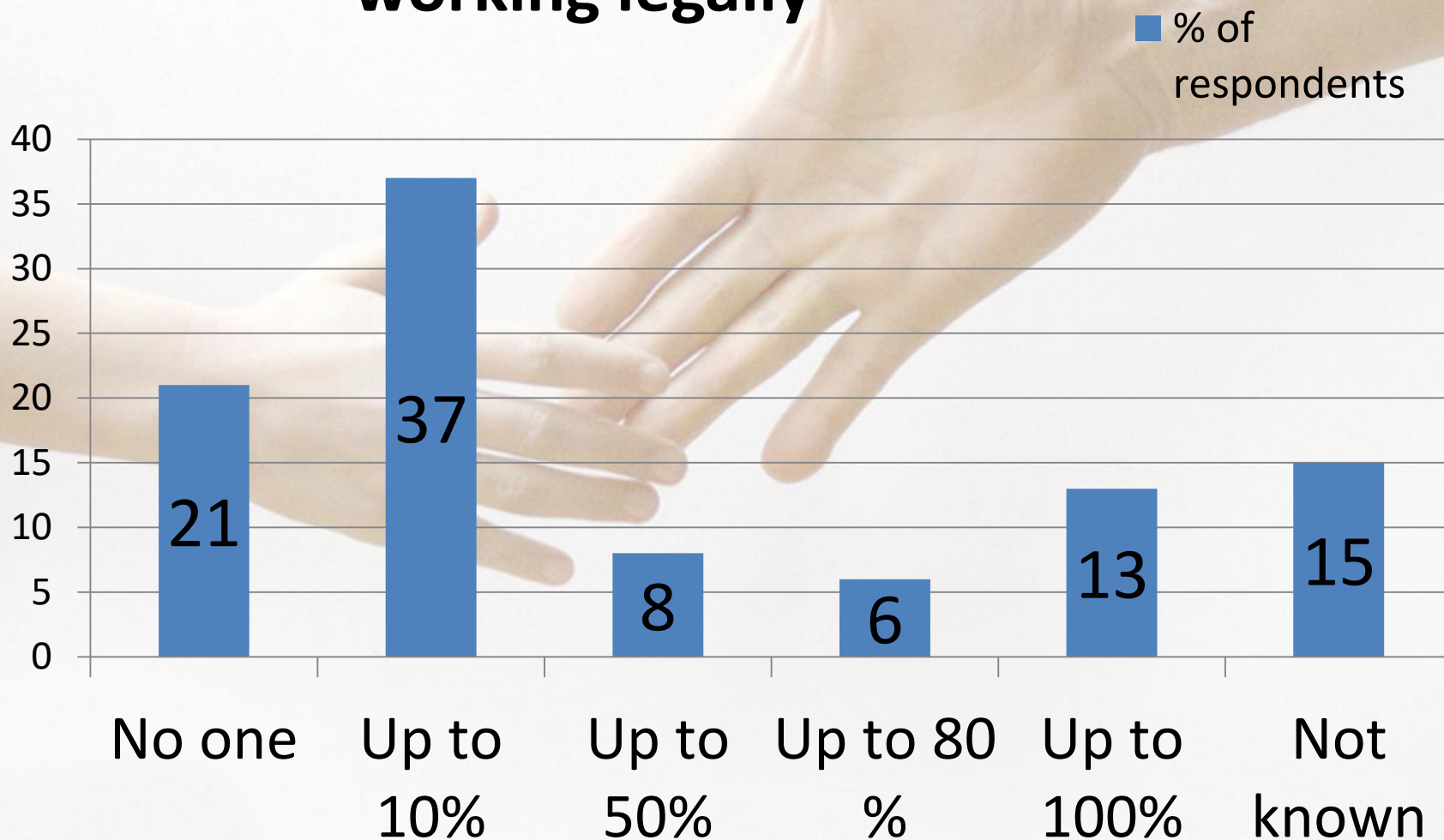
- Rent;
- Utilities;
- Food;
- Etc.

A background image showing two hands, one from the left and one from the right, reaching towards each other in a gesture of offering or support. The hands are light-skinned and positioned against a plain white background.

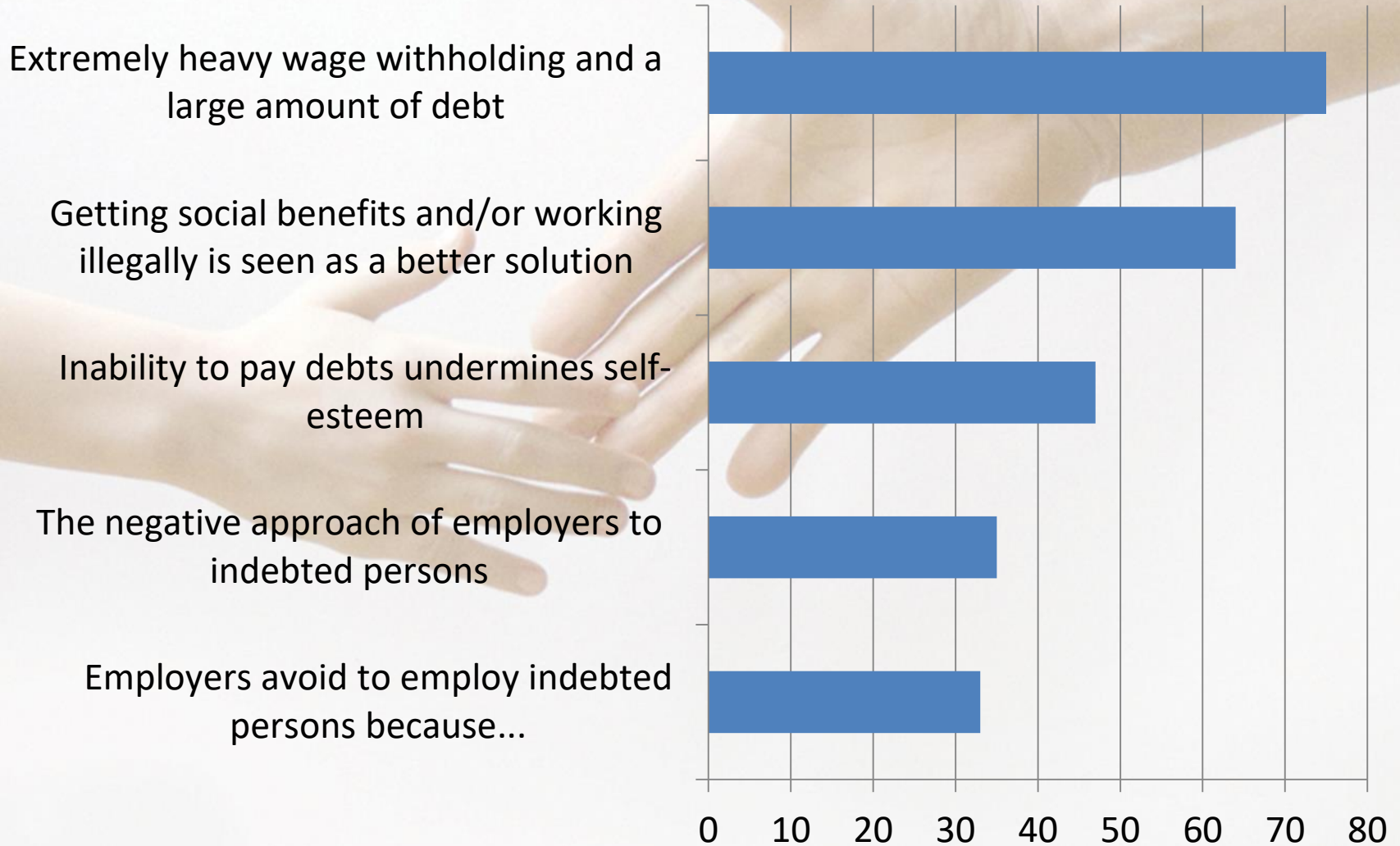
It leads to..:

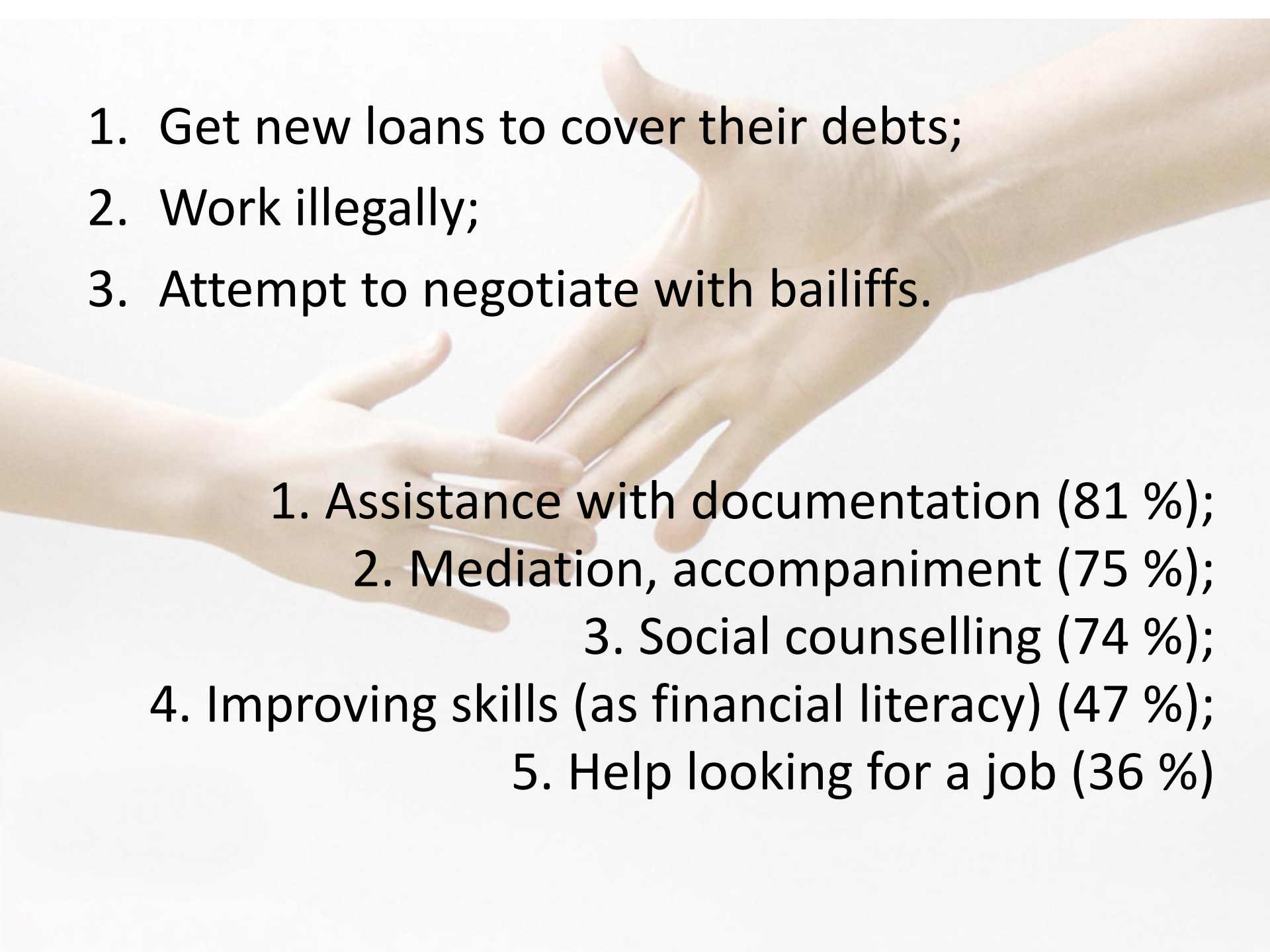
1. Evictions, long-term homelessness;
2. Illegal work;
3. Demotivation to work, living from social benefits.

Proportion of indebted beneficiaries working legally



Main reasons why indebted people avoid to pay debts



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1. Get new loans to cover their debts;
 2. Work illegally;
 3. Attempt to negotiate with bailiffs.

1. Assistance with documentation (81 %);
2. Mediation, accompaniment (75 %);
3. Social counselling (74 %);
4. Improving skills (as financial literacy) (47 %);
5. Help looking for a job (36 %)

A background image showing two hands, one from the left and one from the right, reaching towards each other in a gesture of support or agreement. The hands are positioned behind the text.

Proposals for improvement of legal framework:

1. Reducing deductions from legal income;
2. Reducing costs of the debt administration;
3. To balance the responsibilities of the creditor and the indebted person;
4. To provide a possibility to get an additional refundable support.

A background image showing two hands, one from the left and one from the right, reaching towards each other in a gesture of support or agreement. The hands are light-skinned and positioned against a plain white background.

Proposals for preventative measures:

1. Strengthening financial literacy;
2. Increasing accessibility of public transport



Proposals for strengthening social services for indebted persons:

1. Providing social workers with more knowledge on debt issues;
2. To increase the awareness of primary legal aid;
3. To provide long-term structured support.

Two hands, one from the left and one from the right, are reaching towards each other in a gesture of offering or seeking help. The hands are positioned in the center of the frame, with the fingers slightly spread. The background is a plain, light color.

Let's find a better way!



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