

PANEVĖŽYS DISTRICT – STRENGTHS AND POSSIBILITIES FOR BUSINESS

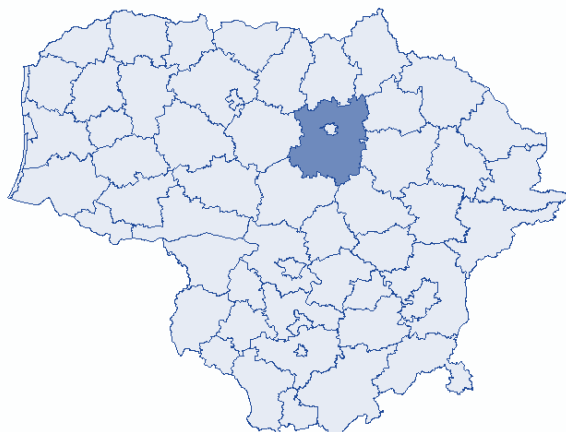
Strengths and possibilities for business, labour force
resources to fulfil business needs and economic potential

January, 2021

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PANEVĖŽYS DISTRICT – STRENGTHS AND POSSIBILITIES FOR BUSINESS



Square of district:	2177 km ²
Population:	35 185 (2019)
Population density:	16,2 people/km ² (2020)
Agricultural area:	57,3 per cent
Forests:	33,1 per cent
Territorial waters:	2,1 per cent
Cities and urban areas:	2,1 per cent



A convenient geographical location that allows to reach 3 airports in ~2 hours and marine port in 3.5 hours.



A stretch of 60 km of highway Via Baltica, which belongs to highways network, which goes from Berlin through Warsaw, Kaliningrad, Klaipėda, Liepāja, Riga, Tallin, St. Petersburg, crosses the district.



The territory of 12.4 was prepared for investment – Ramygala industry park.



Fertile soil is present in the district that allows developing either traditional or alternative agricultural businesses.



Strong cooperation between business and local authorities allows creating cellular business collaborations, to represent the business interests jointly and to develop ecosystem Industry 4.0.



The network of educational institutions, professional schools and higher schools allows ensuring the needs of ever-changing business human resources.



Panevėžys district municipality holds the 5-8th place in [Lithuanian small municipalities index](#) (2019, a periodical municipalities assessment carried out by Lithuanian free market institute comparing economic freedom conditions for inhabitants and investors and effectiveness of management).



The smallest base real estate tax rate in comparison to other 54 small Lithuanian municipalities (2019).

1. PANEVĖŽYS DISTRICT – A FAVORABLE PLACE TO CREATE A BUSINESS

Panevėžys district invites everyone to create business and invest in the municipality while creating all conditions for that – support for small and medium businesses is being offered, suitable infrastructure for investments is being presented, ecosystem Industry 4.0 is being developed, strong associated business structures are in effect. The strength of the district is fertile lands and geographically beneficial location. The region has especially developed areas of agriculture and furniture manufacturing.

“We put effort, so companies have the best conditions to succeed in Panevėžys district municipality area – not only not to make artificial obstacles, but also to cooperate, hear out about the problems, wishes and help as much as the law allows.”

The Mayor of Panevėžys District
Municipality **Povilas Žagunis**

1.1. Business support

Small and medium business is promoted in Panevėžys district – financial support is provided to the companies, free of charge business consultations are being held in [Panevėžys Business Advisory Centre](#). The companies in Panevėžys district can inquire for:

- Compensation of credit interest (up to 2000 EUR)
- Training, consultation, requalification of employees' costs compensation (up to 600 EUR)
- Fairs, exhibitions, and other events cost coverage (up to 5000 EUR)
- Company establishment costs coverage (up to 120 EUR)
- Job creation for the business that received financial state support for local employment initiatives implementation projects (projects administered by Lithuanian Employment Service) – 100 EUR for 1 employment place, not more than 300 EUR for one subject of small or medium business and one project)

In an attempt to encourage entrepreneurs that are establishing and developing businesses in the district, [Panevėžys district business entities awards](#) are being organized since 2013.

JSC Langemė, Pagiegala, Panevėžys dist..



1.2. Land plots for business investments in Panevėžys district

In the Panevėžys district [town of Ramygala](#), Ramygala industry park of 12.4 ha area has been established. Required infrastructure has been set up in the park, a detailed plan has been provided, and the territory has been divided into

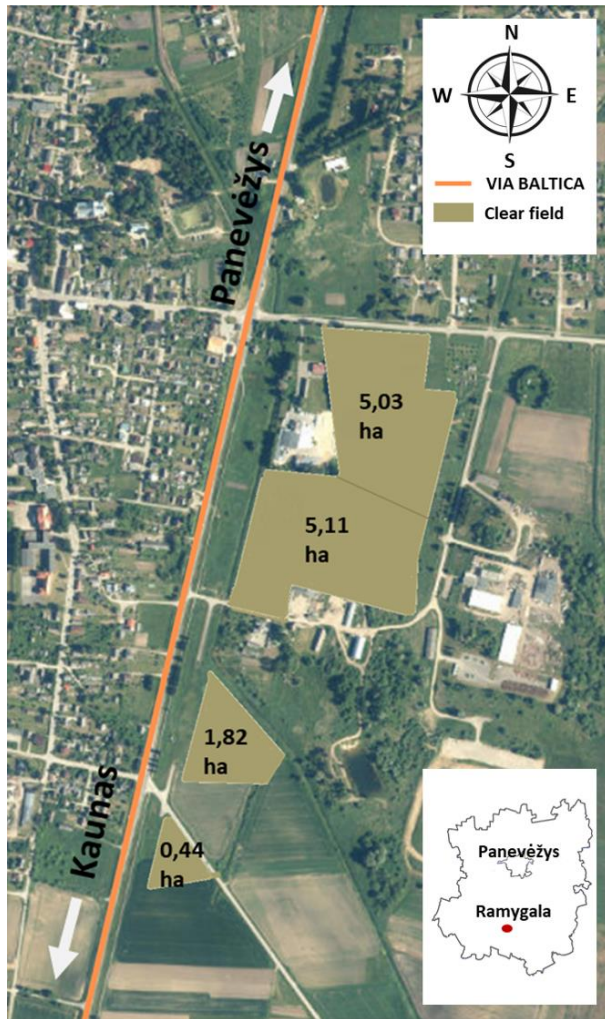
4 separate land plots. If the need arises – park territory development is possible. Industry park is next to transportation corridor – highway “Via Baltica”, the [Panevėžys city](#) is only 25 km away (0.5 h).

LAND PLOTS, FORMED IN THE INDUSTRY PARK

Area in ha	Plot designation	Allowed storeys	Possible construction density
5,03	Industrial, warehousing and commercial designation	1-3 storeys (15 m)	73 per cent
5,11		1-3 storeys (15 m)	68 per cent
1,82		1-3 storeys (15 m)	32 per cent
0,44		1 storeys (5 m)	22 per cent

UP TO THE INDUSTRY PARK LIMITS THE FOLLOWING UTILITY NETWORKS HAVE BEEN CREATED

- Access roads, bridges;
- Water service, capacity not less than 100m³/d;
- Water waste service, capacity not less than 100m³/d;
- Surface water sewage systems;
- Overall electrical output of equipment 950 kW;
- Communications cable lines;
- Medium pressure gas pipeline, pressure in the endpoint not less than 2,5 bar; hourly gas debit Q h-2000m³/h;
- Drainage channels.



1.3. Direction Industry 4.0

Having evaluated and seeking to employ the latter economic strengths, Panevėžys region strives to become a competitive centre of Industry 4.0 solutions creation and application. While closely cooperating between business, education, science and public sectors, the ecosystem of Industry 4.0 of high value-added is being purposefully created in the region. The knowledge and experience of the engineering area accumulated in the region, infrastructure

accommodated for scientific research and experimental development grant necessary prerequisites to develop competencies and specialists needed for Industry 4.0.

Special services and support base creates and helps implement Industry 4.0 solutions to companies.

Panevėžys Centre of Mechatronics – leader of Panevėžys region in the R&D area offers solutions of IT, electronics, electricity, and mechanics for business innovation, starting with the construction and design and ending with the creation of technological solutions. Scientific research using micro / nanotechnology equipment is being carried out in the institution.

Panevėžys Science and Technology Park – an incubator for innovative business, which provides services of the business incubation and support for innovation development. Projects to activate innovative partnerships and international collaboration are being developed in the centre.

1.4. Cooperation of Panevėžys region business representatives

Companies of Panevėžys city and district actively cooperate while representing business interests on municipal, regional and state level. Business communities that act in the district promote network cooperation and growth of competition.



Panevėžys Chamber of Commerce, Industry, and Crafts

unites and represents regional business interests in local, regional and national institutions, provide the newest information relevant to businesses, organizes business trips, training, and projects that are designed to help businesses accumulate strength and expand local and international markets.

Panevėžys Region Industrialists Association

was established to grow the competitiveness of industrial companies and to create a platform, which enables collaboration between companies, to carry out common ideas, share knowledge and experience.

Foreign investors business association FIB Association

actively cooperates with local authorities in creating beneficial conditions for foreign investors in creating and developing business in the Panevėžys region, promotes cooperation of local and foreign investors, helps newly created businessmen of foreign countries to integrate into the local community.

1.5. Benefits provided by natural resources

Plains dominate in the territory of Panevėžys district, which overlap with the **fertile Middle Lithuania lowland**. The soil **surface height** in Panevėžys district municipality is from 40 to 90 metres above sea level. Panevėžys district territory (74 per cent) belongs to Nevėžis (length 208.6 km, basin area 6140.5 km²) river basin – the **most important Middle Lithuania river**, to the basin of which 10 not large lakes and 23 ponds belong. Municipality territory elevates in Eastern – South-Eastern direction.

Complex conservation territories in Panevėžys district municipality extend in the area of 29747.74 ha (around 13.7 per cent of the area of the municipality), conservation territories of conservational priority make up an area of 4261.88 ha (around 2.0 per cent of the whole municipality).

The average annual **rainfall** in Panevėžys district amounts to 600-650 mm, average annual temperature in July reaches 17-17.5 °C, in January 2-3 °C.

Mixed forests dominate in the municipality. The biggest forest range in the district is Žalioji giria (The Green Forest – 18900 ha, 11th forest territory by area in Lithuania). The district accumulates 13.2 million m³ of mature and overmatured stands.

Most of the following **mineral resources are found** in Panevėžys district: sand (20.6 per cent on state-level), sapropel (21.6 per cent on state-level), gravel (5.1 per cent on state-level), peat (8.5 per cent on state-level).

1.6. Convenient geographic location

Panevėžys district territory covers the main Lithuanian road connections in Northern and Eastern directions, which have interfaces with the main cargo and passenger flows from West and South:

- The First Trans-European transportation corridor “Via Baltica” crosses Panevėžys district territory in North-South direction, which extends from Warsaw to Tallinn and is a part of international highway E67;
- European network highway E272 (Vilnius-Panevėžys-Šiauliai-Palanga-Klaipėda) extends throughout the district and allows reaching the capital of Lithuania Vilnius and Lithuanian marine port in Klaipėda rapidly and conveniently.

ACCESSIBILITY



- East-West corridor 122 connects Panevėžys district with Rokiškis and Latvian city Daugavpils;
- Railway line Daugavpils-Panevėžys-Radviliškis crosses Panevėžys district. It is a connection with the main Lithuanian railway transportation IX B corridor and with Klaipėda marine port;

- Railway track “Rail Baltica” is planned to be finished in 2026, and it will become a part of international transportation corridor “Northern Sea – Baltic Sea) and will connect Helsinki, Tallinn, Pärnu, Riga, Panevėžys, Kaunas, Vilnius and

Warsaw. After the project is complete, an intermodal cargo terminal will be built in Panevėžys district Gustonys.

[A video about that >>>](#)



Photo [source >>>](#)



WHY PANEVĖŽYS DISTRICT? JSC “PALINK”

The decision to build a modern IKI Logistics centre and Culinary centre in the Panevėžys district next to the highway „Via Baltica“ was made primarily because of convenient geographical location. This decision allowed to centralize the company’s logistics and optimize the costs. Convenient geographical location also allows our employees who live in the city or in the countryside to easily reach us. 577 employees currently work in both centres.

We value the activity of educational institutions that work here and that help us find the needed specialists. We have connections with the region’s vocational and higher education schools, we hire pupils and students for internships, and they later become our successful employees.

Nijolė Kvietkauskaitė, CEO of JSC „Palink“

1.7. Directions of business specializations in Panevėžys district

1.7.1. Agriculture

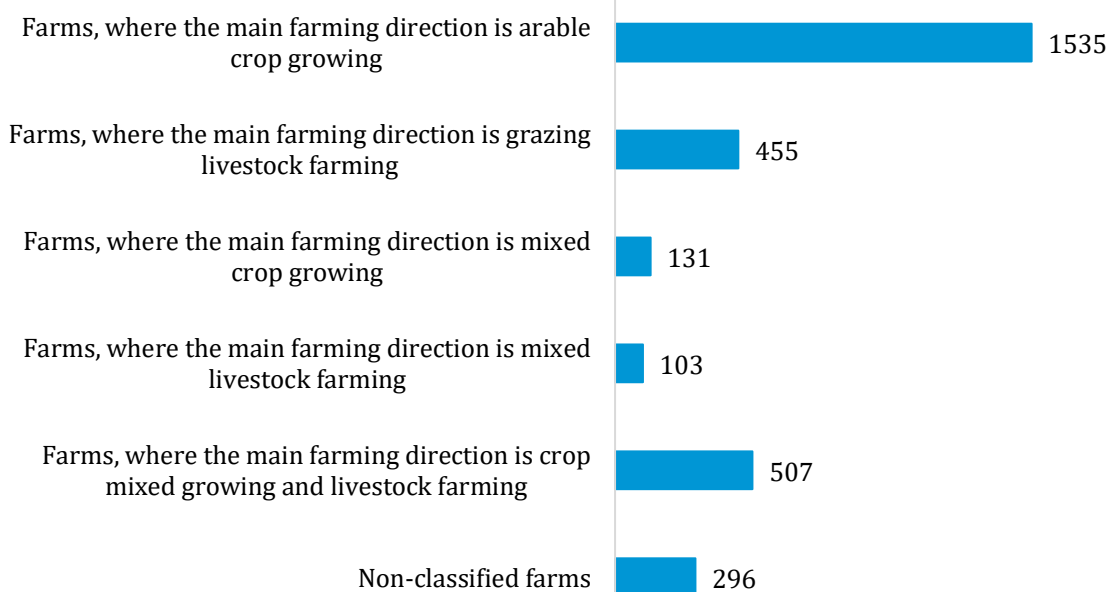
"The most of district's farms are oriented to production growing and realization, but the processing and manufacturing possibilities are an open business niche. We are ready to promote and support such initiatives."

The Mayor of Panevėžys District Municipality **Povilas Žagunis**

Larger farms that in other places of Lithuania dominate in Panevėžys district.

- The larger part of Panevėžys district territory is used for intensive agricultural activity and declared **farmland and crops area is the biggest** in Lithuania.
- **Farmland evaluation in the district municipality is very high** – 47.5 points, part of the area covered with forests – 34.15 per cent, which is more than in the county and whole Lithuania.
- The farmers of the district are **one of the biggest cereal and rapeseed growers** in the whole country. Fertile land is suitable to grow vegetables, fruit, berries, and livestock farming.
- **More value added** is created in agriculture than on average in the country (9 and 4 per cent respectively in 2019).

FARMS IN PANEVĖŽYS DISTRICT IN 2016



While developing agricultural activity in Panevėžys district, the designated production is being manufactured and sold, crop growing and livestock farming is being developed, raw materials are being processed, applicable technological solutions are being offered.

REPRESENTATIVES OF THE AGRICULTURAL BUSINESS THAT CHOSE TO INVEST IN PANEVĖŽYS CITY AND DISTRICT:

Production designated for agricultural business (crops, fertilizers, protection measures, animal feed)

Crop growing and livestock farming businesses



linas agro

Panevėžys district Žibartony's agricultural company

Agricultural company "AUGA Gustoniai"

JSC "Šilų ūkis"

Production processing

Equipment for agriculture and its production

ROQUETTE | amilina
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Panevėžys district Žibartony's agricultural company, Žibartony's village, Panevėžys dist.





WHY PANEVĖŽYS DISTRICT? JSC "BALTGINA"

We have founded the company in 1991. We started the activity by providing services to the district's and Lithuania's food industry companies. We three started working, led by ideas and enthusiasm. Currently, we have 35 employees in the company.

The first activity areas were packaging materials and packaging equipment. After a couple of years, we started repairing, selling and providing modernization services of technological equipment to meat processing companies, and a little later – to bread processing companies.

While growing our activities, we also developed, and we currently sell and provide services not only to the bigger part of Lithuanian food industry companies, but we also have close commercial connections with companies from almost all countries of the European Union. Company's sales and services are split almost exactly in half between Lithuania and abroad in the company's turnover balance.

Several causes lead to a successful company's work in Panevėžys region. A lot of metal

treatment companies work in Panevėžys region, and we have a mutually successful cooperation with them. Specialists, that are suitable to the company, are prepared by Kaunas University of Technology Panevėžys faculty of Technologies and Business. The favourable geographic location of the district (the centre of Lithuania) helps develop the business not only with Lithuanian companies but also with neighbours Latvians.

Favourable attention of Panevėžys district municipality and state structures that verify the business also help develop the business.

While being the leaders of our area in Lithuania, we are attractive not only to the small and medium companies and farmers of our country, but also to the Lithuanian food industry giants. Our partners in the region are "Pieno žvaigždės" companies group companies "Panevėžio pienas", "Pasvalio sūrinė", "Vilniaus duona", "Biržų duona", "Krekenavos agrofirma".

Faustas Keršys, Head of JSC "Baltgina"

JSC "Baltgina", Molainiai village, Panevėžys dist.



1.7.2. Furniture industry

Since the ancient times furniture industry has been developed in Panevėžys district, which is represented by both small furniture manufacturers and large foreign investors.

The supply of wood treatment and furniture component manufacturing businesses in the district strengthens its competition benefit and business development possibilities.

THE FOLLOWING FURNITURE MANUFACTURERS HAVE CHOSEN TO INVEST IN PANEVĖŽYS DISTRICT:

 <p><i>~ 1 000 employees</i></p>	 <p><i>~ 140 employees</i></p>
 <p><i>~ 50 employees</i></p>	 <p><i>~ 25 employees</i></p>

WHY PANEVĖŽYS DISTRICT? JSC “DOMINARI”



We found resources in the region that are needed for the activity of our company – the suppliers of wood and wooden components, employees of required qualifications, who were able to apply their knowledge after the other textile companies that were working here had to close.

While carrying out our activity we cooperate with companies in the region that provide innovative technical solutions – we seek to continuously perfect our activity and optimize the manufacturing using cutting edge technological developments.

We are founded in Šilagalys next to the highway “Via Baltica”, which provides an

especially convenient connection with most European cities, so it is a strategically convenient place to develop our activity.

Due to the successful growth of our companies group we are actively expanding – the modern furniture factory and technologically enriched foam factory exceed 40 thousand sq. m today, over 1000 jobs have been created in the district.

We value cooperation with Panevėžys district municipality – our company was awarded as a company that has created the most jobs in the district in 2014.

Saulius Maleckas, CEO of JSC “Dominari”

2. PANEVĖŽYS DISTRICT – LABOUR FORCE RESOURCES TO FULFIL BUSINESS NEEDS

Professional orientation, educational programmes offered in the region and active cooperation between institutions of education and employers helps fulfil the human resources needs of the companies that work in the district.

2.1. Education base – for the youth and professions of the future

The network of the schools is constantly being reviewed in the district; school bus service allows to optimally exploit the possibilities of the district's educational system. 7 gymnasiums, 1 pro-gymnasium, 4 lower-secondary schools, 3 schools-kindergartens, 5 nurseries-kindergartens work in the Panevėžys district. In the year 2020-2021 2809 pupils were learning in the schools of general education, 752 children go to early childhood education classes, and 223 children go to pre-primary education classes.

Specialized educational institutions create the conditions to develop the skills needed for future specialists. In the centre of the district – the city of Panevėžys – a robotics centre “Robolabas” invites the youth to perfect their technological-engineering knowledge and **educates the specialists of smart**

specialization of the future. The classes of robotics are being organized in the library of Panevėžys district as well.

While developing the engineers of the future, the **interests of educational society and business are brought together.** The youth that is learning in the region will be invited to the Panevėžys district STEAM centre since 2021, where they will have even better opportunities to perfect their knowledge during integrated lessons and informal educational process in the laboratories of biology and chemistry, physics and engineering, robotics, IT, and artificial intelligence. Region's business also contributes to the creation of laboratories, and the teachers are offered opportunities to better their qualifications, which will allow exploiting the possibilities of this centre to the maximum.



IN 2020 66.8 PER CENT OF THE PANEVĖŽYS REGION PUPILS CONTINUE THEIR STUDIES IN:

- Institutions of professional education – 11.5 per cent
- Universities of applied sciences – 24.5 per cent
- Universities – 30.8 per cent

JSC “Raguvos baldai”, Raguva, Panevėžys dist.



2.2. The supply of educational institutions and programmes that fulfil business needs

Opportunities for future specialists to acquire the first professional qualification and to develop it according to the needs of a specific business are being created in the region – it is offered to choose from more than 100 programmes in the areas of industry, commerce and services, construction and agriculture. 5 professional schools, a university of applied sciences and a university wait for the ones who chose to study. The school graduates can gain professional qualifications, to continue

the studies and acquire professional bachelor, bachelor and master degrees, to perfect the qualifications using separated modules of study programmes.

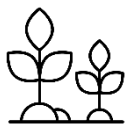
Investors, who seek talents in Panevėžys' professional schools will find qualified middle-level employees who comply with their business needs. Universities that work in the city train specialists in engineering and management areas that can offer innovative solutions.

EDUCATIONAL INSTITUTIONS IN THE REGION:

Panevėžys' Faculty of Technologies and Business of Kaunas University of Technology		Panevėžys' University of Applied Sciences	
			
Panevėžys Margarita Rimkevičaitė Centre of Vocational Education	Panevėžys Centre of Vocational Education	Labor Market Training centre	
			
Biržai Technologies and Business Training Centre		Rokiškis School of Technology, Business and Agriculture	
			

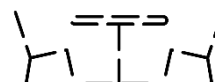
Specialists who are needed by agricultural and furniture manufacturing companies that actively develop their activities in the Panevėžys district are prepared by [Panevėžys Centre of Vocational Education](#).

AGRICULTURE



- Agriculture manufacturing business worker
- Equipment maintenance business worker
- Country business services provider
- Decorative greenery and environment maintenance business worker

FURNITURE MANUFACTURING



- Wood treatment machine operator
- Mechatronics Specialist of Automated Systems Maintenance

We aspire to prepare the specialists who comply with today's market needs – we continuously expand the circle of social partners both in Lithuania and foreign countries, organize common activities and continuously perfect the educational content, and resources. The need and

qualifications of specialists that are being prepared are confirmed by the successful employment of our graduates in the companies of Panevėžys district.

***Dalia Kavaliauskienė**, Head of Agriculture and home activity vocational education unit of Panevėžys Centre of Vocational Education*

- **29 per cent** of Panevėžys city and region inhabitants of employable age have acquired higher education (ISCED 5-8)

- **62 per cent** of Panevėžys city and region inhabitants of employable age have acquired secondary education (ISCED 3-4)

MOKINIŲ SKAIČIUS PANEVĖŽIO PROFESINĖSE IR AUKŠTOSIOSE MOKYKLOSE 2019-2020 M. M.

In the University

211



8 per cent

In the University of Applied Sciences

1353



49 per cent

In Vocational schools

1186



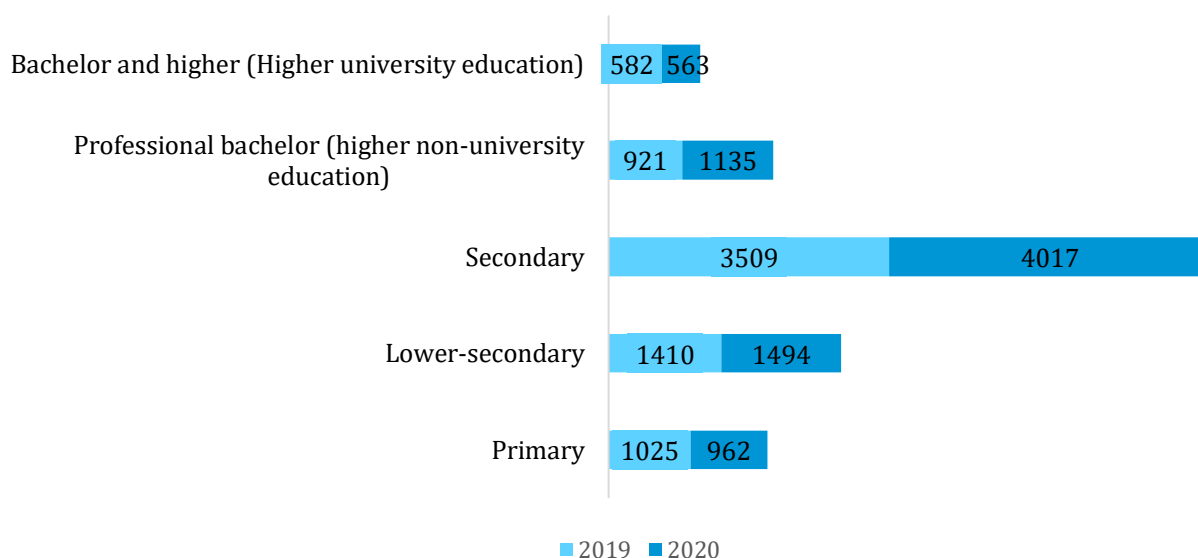
43 per cent

2.3. Resources of the labour force

Investors will find the needed labour force resources in the Panevėžys district and the favourable geographic location allows attracting needed specialists from the whole region.

- In 2020 labour force activeness in Panevėžys region reached 71.9 per cent
- In 2021 more than 6000 people made up the free labour force in the region
- Average age of working inhabitant of the Panevėžys district was 49.9 years old
- In 2019 most of the Panevėžys district inhabitants – 28 per cent in both – worked in the industry sector and wholesale, retail and engine transportation machines repair sector. According to the data of 2016, 17 per cent of district inhabitants worked in agriculture.

JOB SEEKERS BY ACQUIRED EDUCATION IN PANEVĖŽYS DISTRICT IN 2019-2020



JSC "Agrolitpa", Keravos village., Panevėžys district



3. ECONOMIC POTENTIAL OF PANEVĖŽYS REGION

PUBLICATIONS



[Panevėžio apskrities ekonomikos struktūra ir raida. Regioninė ekonomikos apžvalga 2020 m. rugpjūtis >>>](#)

Source: "Enterprise Lithuania"



[Panevėžys region – your business location in Lithuania. On the way to building a thriving Industry 4.0 ecosystem >>>](#)

Source: "Invest Lithuania"

"Kadex", Pažagieniai, Panevėžys dist.



Information was prepared by Panevėžys Development Agency at an order by Panevėžys district municipality.