

# Navigating the Path to Obtaining a Banking License in Lithuania

June 2024

In the dynamic global finance landscape, obtaining a banking license is crucial for entities seeking to operate within regulated banking sectors. Lithuania, with its strategic location and business-friendly environment, has become an attractive destination for companies aiming to establish a foothold in the European Union.

The Bank of Lithuania serves as the central bank and primary regulatory authority overseeing financial institutions within the country. Aspiring banking entities must adhere to the stringent regulatory standards set forth by the Bank of Lithuania and comply with EU directives and regulations. The licensing process consists of three main stages: preparatory work, application submission, and a meeting with the regulatory body.

During the preparatory stage, differentiation is necessary between obtaining a special banking license and a regular one. A special banking license requires a minimum capital of EUR 1 million, while EUR 5 million is needed for an ordinary license. An ordinary banking license allows for all financial services, while a specialized bank is subject to restrictions on investment and some other financial services, such as receiving deposits and engaging in lending and financial leasing.

Essential documents for the application include a list of founders, their share of the bank's authorized capital and/or voting rights, shareholder eligibility assessments, and a list of the bank's managers with necessary documents to prove their eligibility. The application must include proof of the bank's statutes, memorandum or articles of association, and minutes of the constituent meeting. To obtain the license, the bank's shares must be fully paid, and there are documents required to prove the minimum founding capital and a plan for the first three years of the bank's operation.

At least one head of the bank's administration must speak the Lithuanian language and permanently reside in the Republic of Lithuania. Additionally, a description of the management and organizational structure, a draft accounting policy, a sys-

tem description, and documents confirming a safe banking system are needed.

After the final meeting, the process can take between 18 and 24 months. In addition to the minimum capital, there is a state fee and registration costs that need to be paid. Despite these obstacles, the potential benefits make Lithuania an attractive destination for banks aiming to establish a presence within the European Union.

---

**Source:**

<https://www.lb.lt/en/authorisation-of-banks#ex-1-1>  
<https://www.ecovis.com/lithuania/fintech/specialised-bank-bank/>  
*Republic of Lithuania, Law on Banks, 30 March 2004 No IX-2085, Vilnius (As last amended on 29 June 2017 No XIII-576)*

**Author:**

Theresa Sesterhenn  
Theis KlauberBALTICS