

# NJORD Lithuania: From now on, the companies being set-up can open accounts at e-money institutions

At the beginning of the year 2021, an amendment of the Lithuanian Law on Companies came into force, which allows for companies being set-up to open their accounts at e-money institutions and not only at banks.



This means that it is possible to bring in share capital (which for limited liability companies is currently set at the minimum of 2,500 EUR) to an account opened at an e-money institution. Currently, there are 77 licensed e-money institutions in Lithuania, which makes it a competitive alternative to the traditional banking sector.

Within the past couple of years, opening a bank account for a company with foreign investors (even when they originate from other EU countries) has become a procedure consuming a lot of time and energy. This is mainly due to extensive anti-money laundering and counter-terrorist financing procedures applied by Scandinavian banks dominating the Lithuanian banking sector to cope with the reputation risk due to the money laundering scandals that hit the region within the past several years. Accordingly, opening an operational bank account within a bank may take a few months, whereas opening an account with an e-money institution will only take a few weeks.

This is exciting news for foreign investors who will be able to establish a company and start operating their business in Lithuanian within reasonable time limits and also for locals who will most surely benefit from more competition in the financial sector.