

## Republika e Kosovës Republika Kosova-Republic of Kosovo Qeveria-Vlada-Government

Baroness Catherine Ashton High Representative of the Union for Foreign Affairs and Security Policy European External Action Service Brussels

Prishtina, January 17, 2014

## Subject: Implementation of the First agreement of principles governing the normalization of relations between Kosovo and Serbia

Dear Ms. Ashton,

Let me first take this opportunity to wish you and your staff a Happy New Year. I hope 2014 will be a fruitful and constructive year for the EU-facilitated dialogue.

I would like to bring to your attention some troubling developments in the northern part of the Republic of Kosovo, which threaten to undermine the implementation of the Brussels First Agreement of 19 April 2013 and subsequent technical agreements.

I have been informed that on the 10<sup>th</sup> December 2013, the brother of the newly-elected mayor of Zubin Potok municipality, marched into the offices of Iber Lepence (a centrally owned public company) at Ujmani hydro-electric power plant and duly announced that he had been appointed "director" of a new public enterprise called "Ibar". This enterprise purportedly plans to assume control and ownership over the power plant, the adjoining reservoir and the nearby Vallaq substation. In addition, it was reported that he had been appointed by authorities in Belgrade – this was later confirmed by an EU official, who also clarified that the appointment had emanated from the office of Mr. Aleksandar Vulin. As matters currently stand, I am informed that the situation at Ujmani power plant is tense, with the legitimate director attempting to operate the plant despite the continued presence of the purported "director" appointed by Belgrade.

As you will appreciate the abovementioned incident has raised serious concerns on our part as to the intentions of the Government of Serbia, particularly in relation to the question of ownership and control of energy assets in northern Kosovo. Accordingly, I believe it is worth underscoring to all concerned parties that ownership of energy assets in northern Kosovo lawfully reside with the respective Kosovo licensed utilities, namely Iber Lepence, J.S.C, which owns Ujmani power plant; KOSTT, J.S.C, which owns the electric transmission network – including Vallaq substation; and KEDS, J.S.C, which owns the electric distribution network. To this end, it is our firm position that any actions that challenge or undermine these ownership rights contravene the terms of the First Agreement of principles governing the normalization of relations between Kosovo and Serbia and also the agreement on energy, and therefore such actions should not be tolerated.

I would be grateful if you could add the above point as an agenda item to the next scheduled high level meeting with Serbia's Prime Minister Daçiq. Doing so will allow us to secure the necessary assurances from the Government of Serbia on the question of 'asset ownership'; thereby ensuring the continued implementation of all concluded agreements.

In closing, I would like to stress that the Republic of Kosovo remains steadfast in its commitment to implement the terms of all agreements reached as part of the dialogue, and to do so in a timely fashion. I also believe that our actions to date have demonstrated our level of commitment to the dialogue process. We simply ask that all parties concerned follow the signed agreements and act in good faith.

I look forward to hearing from you on this matter.

Sincerely yours,

Edita Tahiri

Deputy Prime Minister

Head of the Republic of Kosovo Delegation

at the Brussels Implementation Dialogue