



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

*Zyra e Kryeministrit - Ured Premijera - Office of the Prime Minister*

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# **Annual Government Report for 2015**

**April, 2016**  
**Prishtina**

# Report on the implementation of Strategic Priorities of the Government

## INTRODUCTION

During 2015, the Government of the Republic of Kosovo implemented an ambitious plan in all fields of the governance. While implementing this plan and objectives contained therein, the Government of the Republic of Kosovo faced internal difficulties, as well as challenges deriving from the European agenda. However, during 2015, a significant progress has been achieved and mechanisms necessary to achieve targeted results, as well as furthering political processes, have become functional.

The Government of the Republic of Kosovo is committed to lead processes that improve the rank of Kosovo in appropriate levels in the international sphere, which are important for the development of our country.

For achieving progress and ensuring a development trend for the country, it is necessary to ensure the political and institutional stability; in this regard, it is obvious that all domestic stakeholders may provide more contribution in achieving objectives determined in advance, as well as those to be determined by the Government of the Republic of Kosovo for the following years.

This comprehensive report aims at highlighting the progress achieved in implementing the strategic priorities of the government, with a special emphasis on the progress achieved during 2015. In this aspect, the Programme of the Government of the Republic of Kosovo, whereby five strategic priorities are highlighted, is the benchmark of this report.

## Priority I: Sustainable economic growth and development

In view of sustainable economic development, a progress has been achieved in improving fiscal policies. Steps for improving fiscal reforms ensure financial stability and favourable environment for economic development, ensure competitive commercial policies and improve the environment of doing business, enable the support of small and medium-sized enterprises, investment promotion, as well as the efficiency of expenditures and fiscal regulatory.

At the same time, one of the strategic objectives of the government was and remains the promotion of policies for economic growth and creation of new jobs through the Investment and Employment Fund, which is expected to further support and strengthen current employment policies and schemes, which as a result of the public service of employment and donor support, marked a significant progress during this year.

- *Improvement of the strategic framework by drafting a National Development Strategy and establishment of the system for integrated planning*

**Specific results have been achieved in policy coordination and strategic planning, drafting and supervision of legislation in line with the European agenda.** The government has taken steps for the establishment of the Integrated Planning System by developing the Strategy for the Improvement of Policy Coordination and Planning, which was approved by the Government, on 03.05.2015. The implementation of this strategic document represents substantial interventions within the Public Administration Reform and is in compliance with the principles of the European Commission and OECD/SIGMA for Western Balkans.

National Development Strategy, which coincides with the reforms to be implemented within the Integrated Planning System, has been drafted for the first time. The Strategy Document has been subject to a wide consultation process with various stakeholders of civil society.

We have commenced the drafting of the Economic Reform Programme 2016-2018 (ERP), as part of the dialogue between EU and Republic of Kosovo within the economic governance. ER 2016-2018 covers the medium-term period (three years) and represents the macro-economic framework and fiscal policies, as well as comprehensive agenda of structural reforms on the other hand.

As part of commitments of the Government of Kosovo within the Regional Cooperation Council (RCC), the strategic document "Kosovo Vision for Skills 2020" has been drafted and this strategic document, along with its Roadmap, Measures and Indicators, has been finalized in entirety and approved by the Government of the Republic of Kosovo on 20.05.2015.

Within the identification and review of priority policies and strategic documents of the Government, the process of drafting the Annual Declaration of Medium-Term Priorities within

## Coordination Secretariat of the Government 2016

the MTEF has been coordinated; strategic sectorial documents and other documents have been analysed and assessed for the purposes of drafting and harmonizing the priority policies, and as the final result, the Declaration of Medium-term Priorities of the Government has been drafted.

Within the coordination of the process of drafting the strategic documents and ensuring their compliance with Government priorities, the proposals of the institutions for drafting the strategic documents have been reviewed, thus contributing to the Annual Plan and Report of the Government regarding strategic viewpoint.

Moreover, we continued the provision of the support to the Prime Minister in order to ensure that all ministries act in compliance with the priority and strategic government policies; provision of advices for the Prime Minister and the Government to indentify and review the strategic priorities of the Government; provision of the advices for the Prime Minister related to the important issues of policies presented for approval in the meeting of the Government and which are directly related to the Government priorities; taking care that strategic and planning documents developed by the Government are in compliance with the general priorities of the Government, including obligations deriving from the European integration process and other international obligations; coordination and leading the process of developing the National Development Strategy and Economic Reform Programme 2016; ensuring that strategic and planning documents are drafted in compliance with the standards and procedures determined by the Government; representation of the Office of the Prime Minister in the key planning processes of the Government, and especially OSP took care to present Government priorities in short-term and medium-term planning documents, as well as in budgetary planning of the Government; participation in various conferences and activities abroad.

The Government approved 22 concept papers, which were subject of two phases of review and decision-making<sup>1</sup> and 24 other concept papers are being reviewed. For the purpose of further capacity-building for the Government for coordination and development of the preparation of policy documents, during this year, we negotiated with the Sweden International Development Agency – SIDA, “Support for Improving Policy Development in Kosovo” project, which will support the Office of the Prime Minister and ministries for a 4-year period with a budget of around EUR 3.2 million. The agreement for project implementation was drafted on 18.012.2015.

Furthermore, 71 draft laws, 38 decisions of the Government, as opinions, reports, strategies, programmes for notification, proposals for appointments in boards, commissions, etc., have been forwarded to the Assembly.

The process of drafting and monitoring the Annual Work Plan of the Government has been improved by reviewing the respective guides. During this year, the drafting process for the main annual operational document of the government, namely GAWP, has been implemented as a coordinated process, as a result of establishing the Technical Review Teams, composed of officers of GCS, MF, MEI, OSP and LO, which reviewed drafts of plans for each ministry, as

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<sup>1</sup>According to the provisions of Articles 7 and 35 of the Regulation on Rules and Procedures of the Government

well as 20 meetings with the ministries and we held continuous consultations with responsible officers in the ministry for this process.

The Government, with its decision no. 03/38, in the meeting held on 15.07.2015 approved the Guidelines on Ex-post Evaluation of Legislation in the Republic of Kosovo, which will serve in establishing steps required to be taken for assessing social-economic effects as a result of legislation implementation and review of further policies.

These steps taken in the process of coordinating policies aim at increasing the quality of policy-making in Kosovo and implementing recommendations of the assessment of European Commission in 2015 through OECD/SIGMA.

- *Improving economic governance and predictability of economic and fiscal policy*

**The Government implemented a legal reform in the field of fiscal policies for the purpose of creating further facilities to the business.** In March of this year, the Government of the Republic of Kosovo issued decisions for fiscal changes related to the new draft laws on: Value Added Tax (VAT); Corporate Income Tax; and Personal Income Tax. In this context, the list for products exempted from custom duty has been reviewed, thus adding energy products and pharmaceutical products to the list of exemptions from custom duty. We also worked for simplifying and facilitating fiscalisation procedures, where one of measures taken is the liberalization of the market of operators for selling fiscal devices.

With the Draft Law on VAT, the threshold of VAT declined from 50 thousands EUR to 30 thousands, as provided for in the current law, i.e. each business realizing circulation over 30 thousands EUR per year will be obliged to be registered for VAT and thus pay obligations for the part exciding this amount. According to the assessment of the Government of the Republic of Kosovo, it will be 27.6% cheaper for the businesses to commence the operation process.

**Improving competition of Kosovo products in both domestic and foreign market was object of fiscal policies undertaken.** Following the entry into force of the new fiscal package, 152 requests have been approved, where businesses have been exempted from VAT for import of raw material used in the production process. Also, a total of 163 companies realized the right to import production machinery, raw material used in production process and equipment of information technology.

- *Strengthening financial control and income management*

For the purpose of increasing efficiency in reporting the expenditure of public funds, a series of actions in efficient management and improving the infrastructure of information system for public funds management have been undertaken.

**Tax incomes increased.** An increase of more than 70 million (8.51 %) of custom collection has been marked compared to 2014; also, incomes increased for 7.4% compared to 2014. Also, tax incomes were realized in the amount of EUR 308.6 million or 12.2 % more compared to 2014.

For the purpose of further improvement of tax incomes, the initial plan for merging the TAK and Kosovo Customs in a common Agency for collecting tax and customs revenues has been drafted.

**Also, measures for increasing the competition in the country have been taken.** A new policy has been taken in placing the level of wages of public sector in line with wages of private sector by conditioning the increase of wages of public sector only with the increase of productivity.

As the debt level in the country is low, whereas the needs for improving infrastructures are great, the investment clause has been drafted, which will allow additional expenditures for development projects outside the fiscal rule that limits the budgetary deficit in 2% of GDP.

○ *Debt forgiveness*

**During this year, the Assembly of the Republic of Kosovo approved the Law on Debt Forgiveness**, which was announced with the Decree of the President of the Republic of Kosovo on 07.08.2015. The purpose of this Law is to forgive public debts of State Institutions and Publicly-Owned Enterprises, as well to establish criteria and procedures for forgiving the debts of natural and legal persons for the period until 31 December 2008. Such persons, except the forgiveness of debt for the period until 31 December 2008, will also benefit from forgiveness of fines, penalties and every other obligation deriving from the timely payment of the debt for the period 01 January to 31 December 2014. These changes have positive impacts because facilitate the burden of financial obligations to the citizens of the Republic of Kosovo.

○ *Agreement with International Monetary Fund – IMF*

**2015 has proved successful in terms of deepening cooperation with the International Monetary Fund (IMF).** This cooperation was concretized by signing the Agreement, which is focused on the economic and fiscal reforms which are already being implemented by the Government of the Republic of Kosovo.

The Government of the Republic of Kosovo prioritized economic development measures, creation of new jobs and provision of strong support to the agriculture and energy sector in Kosovo. All actions in the sector of ensuring the fiscal reform and sustainability, supporting business climate and sectorial reforms have been assessed by the IMF institution as positive, resulting thus in the deepening of cooperation with this international institution.

According to common assessments for 2015, the criteria provided for in IMF are met in a satisfactory level, where in this regard is worth mentioning the better banking balance, better tax performance, more sound and efficient management and supervision of budgetary expenditures, as well as stricter control of budgetary expenditures. Altogether, all these ensure greater financial stability, rationalization and proper spending by budgetary organizations. This is the first review of our economic programme with the International Monetary Fund, approved in July by the Board of the International Monetary Fund.

Compared to the previous year, the economic growth in Kosovo marked a positive trend, whereas assessments of the Ministry of Finance confirm this increase to be 3.8%, which is quite high compared to the previous year and for 2016 we expect to have economic growth of 4%. We agreed with IMF for the reform of the Law on Public Financial Management.

○ *Reducing unemployment*

**The increase of employment for Kosovo citizens was one of the main objectives of the Government of the Republic of Kosovo.** During 2015, we addressed the challenges for reducing the unemployment rate with the Active Labour Market Measures. These measures marked an increase, targeting the support of jobseekers and unemployed and focusing on youth and women, as well as the support of businesses in sectors identified as sectors having potential for increase and sustainability. According to the records of institutions and relevant sources, 15,500 jobseekers and unemployed have been employed within the period January - December 2015.

During this year, the implementation of employment policies and Active Labour Market Measures continued through employment centres. During 2015, 2 Employment Offices have been constructed in Suhareka and Mitrovica.

○ *Support to special groups of the population*

**The Government continues its commitment towards citizens with special needs, regardless of ethnicity, gender and race, including children and the elderly without family care.** During 2015, we completed the construction and supply with equipment of the object of Vocational Training Centre in Gjakova, with a capacity over 2000 m<sup>2</sup>, which was financed from Kosovo Budget. Also, 7 new Centres of Vocational Training have been re-accredited and 21 cabinets have been validated for 7 qualifications. Qualifications and training sessions have been organized for various fields, where 94 candidates participated, out of which 60 belonging to the Bosniak community and marginalized groups. Moreover, 102 candidates have been certified in correctional centres in Kosovo. Based on the data from 8 VTCs, 3466 candidates benefited from training sessions held during the period from January - November of this year. Whereas 2994 candidates have been certified during this period.

Over 2,750 families with children with special needs received support, as well as around 708 children have been supported with a monthly payment for shelter to family and outside the family. 8 NGOs providing services for protection of victims of domestic violation and trafficking, social and family services for children, disabled people and elderly, have been supported with more than EUR 350,000.00 spent for 2015.

**Progress achieved in the licensing field of social and family service provider, as social workers and NGOs, which provide social and family services.** During 2015, 54 social workers

of superior level, 37 social workers of medium level and 230 social workers of basic level have been licensed, consisting thus the total number of licensed persons, who provide services from the government and non-government sector for three levels, in 733 social workers. Also, 14 NGOs have been licensed during this year. We continued with the provision of vocational training sessions for capacity-building for social workers and managerial staff of municipalities for implementing minimum standards and managing responsibilities in the field of social services, which have been transferred from the central level to the local level. 250 social workers and staff of social sector within municipalities have been licensed. Services-care have been provided to the elderly without family care, as well as for children and adults with mental disabilities in two basic institutions in the House of Elderly Persons without Family Care in Prishtina and Special Institute in Shtime (SISH), and Community House located in the following municipalities: Shtime, Ferizaj, Dardane, Deçan, Vushtrri, Graçanice, Skenderaj and in Gurakoc-Istog. The total number of clients in two basic institutions and Community House is 246. With the means planned for capital investments, we constructed the Community House for disabled people in Lipjan and renovated the object of Special Institute in Shtime and House of Elderly in Prishtina<sup>2</sup>.

- *Advancing pension system and guaranteeing the right to pension for all Kosovo nationals who have worked in other countries*

**In consultation with IMF, the Government of the Republic of Kosovo commenced the implementation of the Law on Pension Schemes, whereby is expected an increase of € 68 millions in allocations for this category.** 7 existing pension schemes in Kosovo have been implemented (basic pensions, contributory pension, disability pension, pensioners of “Trepça”, former members of KPC and KSF, as well as scheme for compensation of blind persons)<sup>3</sup>. Additional means in the amount of € 23.050.000 have been planned for contributory pensions for 2016. These means will serve for the categorization of contributory pensions and for natural increase of pension contributions beneficiaries. During this year, the Law no. 04/L-054 has been partly implemented. Until 30.11.2015, a total of 12,929 beneficiaries realized the right to pensions<sup>4</sup>.

**The Government commenced the support programme for KLA veterans.** The receipt of applications for KLA veterans commenced on 5 October 2015 and 16,891 applications have been received up to now, whereas 9,429 veterans are being paid in the total amount of € 3,175,283. Means in the amount of € 90,000 have been allocated as follows: 40,000 for Association of War

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<sup>2</sup>Capital investments cost in these projects is above EUR 250,000.00, funded from budget for 2015.

<sup>3</sup> 131.106 pensioners benefited. 40.115 pensioners are included in the contributory pension scheme. 18.973 persons are receiving pension under disability pension scheme. Currently, 3473 pensioners are receiving pensions under the pension scheme for early compensation for workers of “Trepça”, whereas the amount paid was EUR 4.025.125. The number of former beneficiaries of former KPC members is 904. 170 persons received pensions under the scheme for former members of KPC. 3283 pensioners are receiving pensions under the pension scheme for blind persons.

<sup>4</sup> The amount of means spent for transfers until November 2015 is € 34,558,415.62



Invalids, € 25,000 for Organization of War Veterans and 25,000 for Association of Family Martyrs, for the purpose of rehabilitation of persons in need, whereas Memorandums of Understanding have been signed with the Association of Martyrs Families, Association of Invalids and Organization of War Veterans for funding their certain projects.

In addition to pensions, scheme beneficiaries benefited also exemption from electric energy usages in the amount of € 1,698,381.24 for 11,369 families for 2014 and exemptions from custom duty for 341 war invalids.

During 2015, the working group for renewal of agreements in accordance with international convention of invalid pension insurance, held continuous negotiations with the governments of Switzerland, Albania and Macedonia, where issues and problems related to the implementation of the Agreement signed in 2013 have been discussed.

- *Promoting social and active entrepreneurship policy aimed at reducing the dependence on social schemes*

**The Government made maximum efforts to mitigate poverty, social problems and unemployment.** During this year, services and training sessions have been provided to the jobseekers for the purpose of profiling for labour market and creating new opportunities for employment. Furthermore, they have been mediated in active labour market programmes and projects<sup>5</sup>, where 2960 persons benefited, out of which 696 females. The Employment Offices have been notified for 12,474 vacancies researched by Employment Advisors, as well as 756 persons have been informed and advised about the opportunities of regular migration abroad.

**Increase of financial support for families in need.** In the second part of 2015, the Government of the Republic of Kosovo planned and decided to increase the amount for beneficiaries of Social Assistance for 25% for each family benefiting from this assistance. The increase of the amount of Social Assistance will impact the increase of the welfare of these families and aim for reducing the poverty rate in Kosovo. 27.280 families, with 114.020 family members, benefited from the social assistance.

**We worked in legislation, in the field of the fight against informal economy, in taking care of citizens with the special needs, while services have been provided for pensioners pursuant to the applicable legislation.** The Draft Law<sup>6</sup> on Vocational Ability, Rehabilitation and Employment of People with Disabilities, Draft Law on the Registration, Services and Measures

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<sup>5</sup>Projects: "Public Work" (Podujeve); „Employment of Seasonal Workers in Public Work " (Prishtina); „Cleaning road edges", (Novoberde); "Seasonal Employment in Public Works"(Istog) "Autumn Forestation; "Seasonal Employment in Public Works"(Ferizaj); "Seasonal Employment in Public Works"(Leposaviq) "Seasonal Employment in Public Works"(Vushtrri); "Afforestation of bare areas"; "Rehabilitation of forest from fires, silvicultural activities, thinning"; "Extinguish the fires"; "Cultivation of Seedlings in KFA nursery", "Work Practice 1 in Public & Private Sector", "Work Practice 2 in Public & Private Sector", "Interns in Employment Offices", "Interns in CSW", "Interns in DWIFM", (Department of War Invalids and Families of Martyrs).

<sup>6</sup>On amending and supplementing the Law No. 03/L-019,

for Employment, Law<sup>7</sup> on the Status and the Rights of the Martyrs, Invalids, Veterans, Members of Kosovo Liberation Army, Civilian Victims of War and their Families and the Law No. 04/I-261 on Kosovo Liberation Army Veterans have been drafted and approved by the Government.

○ *Strengthening the private sector and promoting foreign investments*

**During 2015, we worked in creating a more favourable environment for doing business and foreign investments in Kosovo.** During this year, 428 businesses of foreign owners have been registered or 1.5 times more than in 2014, when this number was only 278. According to the data from CBK, Foreign Direct Investments for the period January – October 2015 are about EUR 270 million, which represents a significant increase compared to the 3 previous years, 2012-2014. 62 foreign companies, which were interested in investing potentials, received services. 13 foreign companies – potential investors received direct assistance, starting from business registration and other procedures. Negotiations for signing the agreements for investment protection and promotion have been held with Slovenia, Albania, Canada and Bulgaria.

**For the purpose of finding new markets for Kosovo companies, various enterprises have been supported and participated in international fairs.** MTI supported the exposition of Kosovo companies in domestic fair (promoting fairs and activities organized by Economic Chamber of Kosovo and Kosovo Business Alliance, as well as fairs in London, Berlin, Cologne, Izmir, etc.). Brochures and promoting materials have been updated and submitted in Germany, Bulgaria, Italia, Slovenia, Austria, Switzerland, United Arab Emirates, England, the Netherlands and America.

○ *Commercial policies aimed at increasing the competition and integration of Kosovo in regional and global economies*

**Kosovo achieved progress towards membership in regional and global structures and signing free trade agreements.** Regarding the Opening Market Policy and Integration in Regional and Global Markets, meetings have been held in the headquarters of World Trade Organization (WTO), as well as preparations have been made for commencing the process of application for membership. We participated in the meetings of Regional Cooperation Council (RCC), and we managed to join the Southeast Europe Investment Committee. In cooperation with OECD and Regional Cooperation Council, we organized a meeting with the business community, civil society, media and relevant institutions in the early 2015. We prepared the positions of Kosovo in negotiations related to the membership in CEFTA. During this year, we completed 5 rounds of negotiations<sup>8</sup> from a total of 6 rounds. The sixth round of negotiations is

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<sup>7</sup>Law No. 04/I-172 on amending and supplementing the Law No.04/I-054

<sup>8</sup> During the first and second round, we discussed about business and professional services; in the third round we discussed about tourism, environment and recreational services; during the fourth round we discussed about communication and building services; whereas during the fifth round we discussed about distribution, education and health services.

expected to be completed in March 2016, where financial, transport and audiovisual services will be discussed.

Ratification of the Free Trade Agreement with Turkey is expected to be done by the Parliament of Kosovo. Whereas regarding trade relations with Albania, we took measures to address several trade barriers by intensifying meetings with Senior Leaders of the State and relevant ministers of the Government of Albania.

#### Elimination of Trade Barriers with Albania

*A series of different trade barriers faced by Kosovo businesses have been eliminated, such as: (i) Inability to export eggs in the market of Albania – This issue has already been solved and the first results of the export remain to be seen; (ii) Inability to export pharmaceutical products due to failure to register products in the Albania Medicines Agency – The Assembly of Albania has already amended the Law on Pharmaceutical Products, which previously was presented as the main barrier and this will enable Kosovo companies to register pharmaceutical products in the Albania Medicines Agency and to export and have full access to the Albanian market; (iii) Application of referral prices towards several Kosovo products – Albania guaranteed that will eliminate the application of a such barrier and there are no indication that these have been applied again (iv) The issue of tachographs which was a long-standing barrier for Kosovo transporters – both countries agreed on the text of the agreement and is expected its signature, which will fully eliminate this barrier for Kosovo transporters.*

- *Improving the environment of doing business and conditions for increasing foreign and internal investments*

For the purpose of achieving a level of the European standard of doing business, the Government took specific steps aimed at improving the conditions of doing business. In 2015, a progress has been marked in the aspect of facilitating procedures of doing business and the percentage of business registration has been increased. Establishment and implementation of policies aimed at simplifying the regulatory requirements, reducing the discretion and overall increase of the efficiency of the legal and regulatory framework. Several established facilities are related to the customs procedures by amending the Administrative Instructions and current infrastructure towards transport costs, excise tax on games of chance, excise tax in petroleum – natural gas, in tobaccos, etc. The government worked in establishing a more favourable environment for economic development, attraction of foreign direct investment, usage of natural resources and human capital. We are in the process of taking steps oriented towards continuous economic liberalization.

**Free Economic Zones have been functionalised for the purpose of creating physical facilities for domestic and foreign businesses.** The works in the Business Park in Drenas have been finalized and continued investments in the Business Incubator in Business Park in Drenas,

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Economic Zone in Mitrovica, Economic Zone in Shtime, Economic Zone in Suhareka, Agro-industrial Zone in Samadrxhe and Business Incubator in Municipality of Istog.

**Regarding the trade policy, the government worked in eliminating trade barriers.** The Law on Services is being reviewed and is expected to be finalized during 2016. Also, the electronic web-platform "Report Barriers" has been created and is functional. The electronic platform enables Kosovo businesses to easily address trade barriers during the export, import or transit transport of their goods. Business Registration Agency has reduced and eliminated most of taxes and payments for services provided by this state institution.

**We worked for complete functionalisation of the integrated system for business registration.** We provided solutions for the purpose of continuing the further improvement of registration service and equipment of businesses with fiscal numbers and VAT certificate and number of export-import. Whereas during this year, the current system of registration system has been reviewed and analysed for the purpose of unifying the registration number in a single ID.

o *Energy sector in Kosovo*

**The Government of the Republic of Kosovo managed to reach an agreement for constructing "Kosova e Re" power plant.** With the engagement of the Government of the Republic of Kosovo, in cooperation with the World Bank and "Contour Global" Company, an agreement about points subject to negotiations has been reached. Also, the procedures that enabled the signing of the agreement with "Contour Global" Company for building new generating capacities - "Kosova e Re" PP have been formalized. For the purpose of preventing the increase of energy price and ensuring a sustainable energy supply, which are steps that lead to economic development, the Government of the Republic of Kosovo re-designed the "Kosova e Re" project.

**During this year, we worked in implementing the capital project of Kosovo, i.e. Energy Highway Kosovo - Albania, which is considered to be a strategic project.** This project is expected to be inaugurated in 2016 and consists of constructing a high voltage line of 400 kV, with about 238 km length, out of which 85.5 km in the territory of Kosovo and 153.3 km in the territory of the Republic of Albania. This project is in the finalization stage.

**Ongoing investments and measures in the field of Energy Efficiency.** The government signed the funding agreement with World Bank in the form of borrowing - for an investing amount of 31\$Mln Euro. Designs have been prepared for 5 first buildings for implementing EE measures and this investment will be extended during the following years.

In the context of the "Implementing Energy Efficiency Measures in the Public Service Buildings" project, the government drafted the plan of Energy Auditing (2015-2017), which determined further measures for ensuring energy efficiency in public buildings. In 2016, 5 schools benefited from investments and a significant number of schools in Kosovo are expected to benefit in the next two years.

○ *Development of transport infrastructure*

• **Improvement of road infrastructure**

**During this year, we continued the work for modernization and development of national and local road infrastructure in Kosovo, as well as connection with regional networks.** The project for the road Prishtina – Skopje has been finalized. With the infrastructure development, Kosovo creates preconditions for infrastructure and economic development of the country, as well as creates new opportunities for cooperation between Kosovo and regional countries. The construction of the Highway Prishtina – Hani i Elezit continued normally, reaching an overall level of 27%. Works have been completed in the sub-segment C1 connection R6/R7 - the connection to the national road N2 (Crossroad of Gjilan), with a total length of 5.0 km, and roads for connection and disconnection of the main junction of Highways R6/R7, with a length of 5.5 km, and works are continuing in other segments.

In cooperation with EBRD and WBIF, the government commenced the Feasibility Study and Environmental Impact Assessment for segment Besi – Merdare of the corridor of the Highway R7 Durres-Prishtina-Nish; also, the government commenced the drafting of the project for expansion of Besi – Podujeva road (existing road) N25, as well the feasibility study and environmental impact assessment is being finalized for the segment Kijeve - Zahaq (30 km). The loan from the Islamic Development Bank, Saudi Fund for Development and OFID is available for expansion of the national road N2 Prishtina - Mitrovica.

During 2015, 64 capital projects have been implemented, whereby 35.55 km of national roads and 81.2 km of local roads have been asphalted. There are projects being implemented in rehabilitation and construction of bridges, as: a) Expansion of the National Road N9 Prishtina - Peja, segment Arllat – Kijeve, with a length of L= 8.7 km and completion of the implementing project for the segment Peja- Zahaq, L = 6.6 km; b) Expansion of the National Road N2 Prishtina - Mitrovica, segment Millosheve - Lumi i Madh, L=7.2 km; c) Resurfacing the National Road N2, segment QMI-Hani i Elezit, in the length of 29.07 km; Reconstruction of the National Road Ferizaj -Klllokot, in the length of 13 km; d) Expansion of the road R102 Komoran-Drenas-Skenderaj, L= 13 km; Reconstruction of the Regional Road Gerlic-Klllokot, in the length of 16 km; e) Rehabilitation of the road N25.3 Shtime – Ferizaj, 10.3km

• **Improvement of the railway infrastructure**

**Investment in the railway infrastructure has a great strategic importance and it is expected to impact the socio-economic development of the country.** The Railway Route 10 – Project for Rehabilitation of Railway Route 10, which crosses seven countries, including Kosovo, is the first project from the Single Project Pipeline of Kosovo to be implemented. The cost of this project deriving from the Berlin Agenda, namely meeting of the countries of Western Balkan, lead by the Chancellor Merkel, which took place during the previous year in Berlin, will be over EUR 160 million only for the route crossing Kosovo. For the implementation of this giant project, Kosovo received the first grants from EU with the agreements signed with EBRD in the amount of EUR 39.9 million and EIB in the amount of EUR 42 million, whereas works for this route from

Thessaloniki to Salzburg are expected to commence during the following year. Route 10 is expected to generate new jobs, as well as contribute to the advancement of the neighbourly cooperation. It is part of the main railway network of the Western Balkans and Trans-European Transport Network.

**For the purpose of assisting poor groups of the population**, we concluded a contract for humanitarian transport by bus in different lines within the country, thus ensuring the transport by eight transport lines.

Nine cooperation agreements have been initiated with EU countries in the field of transport and four agreements have been approved by the Government of Kosovo, which are expected to be approved by respective countries.

- **Increasing air transport operations**

**Opportunities for increasing the flow of air transport by following seasonal alternated policies.** During the summer season, 12 approvals for flights programmed for Airlines in Turkey and Switzerland, and 8 approvals for winter season have been issued. 5 airlines have been licensed, which entered the Kosovo market for the first time and 16 airlines of EU were granted with traffic rights and 174 flights have been approved for airlines as charter flights.

- *Continuous improvement of the water sector policies*

With specific decisions, the Government of the Republic of Kosovo approved the definition of protected sanitary areas and their protective measures according to the criteria set for the water resources used for drinking, which are located in the municipality of Suhareka. In addition, a decision has been taken for defining the sanitary protected areas and protective measures according to their specified criteria for water resources used for drinking "Wells of former Paper Factory", in the municipality of Lipjan. The aim of these decisions is to protect underground water resources from negative impacts that could damage the normal and stable situation of water in terms of quality and quantity. Positive results have been achieved in improving the hydrometric network of surface water through which is carried out the monitoring of water quantity and level. Also, during 2016, 25 manual rain meters have been installed to measure rainfall.

- *Environmental protection and territorial control*

**The Government has paid particular attention to protecting the health of the population, not only through measures in the health sector but also through measures for environmental protection.** The contamination of agricultural land was assessed in 2016 within the project "Research on the contamination of agricultural land in Kosovo" in 17 municipalities of Kosovo in an area of 214.749 ha. This research shows that agricultural lands in Kosovo are not contaminated.

The Master Plan for Waste Management, which aims at defining the measures and investments by municipalities for better waste management and recycling, has been drafted. During this

year, the Government intensively worked on preparing infrastructure projects in the field of environment. The projects are of great strategic importance and their implementation will have an impact on economic development of the country, environmental protection and public health of the citizens. Its total cost is approximately EUR 526,771,389.00 millions.

Moreover, measures have been taken to stop illegal actions of the functioning of the lime kilns in Shtime, Lipjan and Malisheva municipalities, ensuring the improvement of air quality in these municipalities. Measures have been strengthened in order to prevent interference in special protected areas of nature by increasing inspections and ceasing all activities and illegal construction in areas such as: the Monastery of Decani, in the area of Mirusha waterfall and constructions within the Historic Centre of Prizren.

The National Register of illegal constructions has been created and is on-line since September. Currently, there are over 352.836 thousands illegal constructions registered. At the same time, the process of legalization of illegal construction has begun.

**The government is undertaking firm legal measures aiming the proper forest management and protection.** The new Law on Forest, which is ready for approval by the Government, will enable an efficient management and will ensure punitive measures for illegal loggers. However, this year, the forest protection has advanced and the illegal logging has marked a decrease; however, this still remains a challenge. Dozens offender files have been prepared for the investigation bodies. The implementation of afforestation programmes has continued, and 400 hectares of forests have been afforested during this year, a program which was implemented as a social employment program as it was realized with the engagement of over 1,000 jobseekers.

As part of measures taken to protect agricultural land from unplanned urban construction, we continued the implementation of the unfinished land consolidation project and implementation of the project for land adjusting on voluntary basis in 21 Cadastral Zones.

○ *Agriculture Development*

**One of the main priorities of the Government of the Republic of Kosovo remains the agriculture development.** This area has a great potential to attract investors and generate new jobs, thus affecting the economic and social development of the country. Given the importance of agriculture, the Government has established this sector as a priority, which is also reflected in the doubling of budget allocations in Agriculture for 2015. This support has enabled the growth and expansion of support for farmers in the scheme of subsidies and grants. In 2015, EUR 43 million have been allocated for two support schemes, 23 millions in direct payments and 20 millions in investment grants. As a result of actions taken by the Government, the area of agricultural land planted with different crops has been increased continuously and the yields of these crops have been significantly increased. Investment grants scheme is one of the development policies that has advanced and ensured sustainability of agribusiness, supporting about 390 farms and agribusinesses in many sectors, and oriented in production, processing, diversification and irrigation. This investment has generated 2500 new jobs in the agricultural

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sector, which will also be registered as employed. Further, 36,786 farmers have been supported by the Direct Payment Scheme.

We continued the advancement of advisory services in agriculture, as one of the key elements for the development and sustainability of the sector. The website for public advisory services, [www.keshillabujqesore.com](http://www.keshillabujqesore.com), has been opened for the first time.

**The Government took measures to eliminate the barriers in terms of trade exchanges of agricultural products between Kosovo and Albania.** The phytosanitary certificate for the import of eggs has been approved, thus export to Albania is no longer impeded. The reference price and limit in the amount of grapes exported in Albania has been removed. Also, unification of flour standards is being finalized, which are expected to be realized during the next year.

Signing the SAA provides to domestic producers access to a market of 500 million consumers and is expected to contribute to the dynamic developments in the field of agriculture.



## Priority II: Good governance and strengthening the rule of law

**The Government of Kosovo has made progress in achieving the strategic priorities related to good governance and the rule of law.** So far, 80 draft laws have been approved and forwarded to the Assembly.

The adoption of these legal acts is of primary importance for economic development, European integration processes, education, security, the fight against corruption and the advancement of many other processes important for the country's future.

### o *Strategic Advancing of the Justice Sector*

In the process of implementing reforms in the field of rule of law and bringing forward the process of normalization of relations with neighbours, the fight against corruption and organized crime, the Government of the Republic of Kosovo has also created necessary preconditions for economic development and democratic consolidation, and it has strengthened the European integration agenda of Kosovo.

Reforms towards improving the legal framework in justice continued in 2015, with 19 draft laws drafted (9 of them have been adopted and entered into force, while 8 of them are submitted to the government and Assembly). Also, 6 draft concept papers have been drafted, of which 5 were adopted and eight bylaws are already in force. Strategic framework is also in the process of being drafted with these strategic documents: "National Strategy for Property Rights", "Strategy in the field of execution of criminal sanctions" and Programme against Domestic Violence and "Strategy for Assistance in the Rule of Law Sector in Kosovo" has been launched while Civil Code of the Republic of Kosovo is being drafted in cooperation with the European Commission.

**The physical infrastructure of the justice sector has been further improved during 2015.** The facilities of Basic Prosecution in Peja and Gjilan have been completed. In these facilities, in addition to the Basic Prosecution, the Regional Directorate of Probation Services has also been placed.

**The Private Enforcement system has become operational.** 25 Private Enforcement Agents started work for the first time and also the Chamber of Private Enforcement Agents was established. Also, 11 bankruptcy administrators have been licensed. This has increased the number of cases resolved through mediation procedure. Progress has been achieved in the field of criminal justice in establishing bilateral agreements with other countries. During the year the following agreements have been signed: Agreement with Hungary on Mutual Assistance in Criminal Matters and the Agreement with Germany on Legal Assistance in Criminal Matters, as well as the continued negotiation of the agreement with Montenegro which is expected to be signed soon.

o *Fight against corruption*

One of the main priorities of the Government of the Republic of Kosovo is the fight against corruption, which undermines the economy, democratic consolidation and the country's image. In order to increase transparency and the establish control mechanisms, the Government has amended the Law on Public Procurement. This projection is set in order to increase the efficiency of public expenditure and the electronic procurement will also be applied within the law, which will decrease the administrative costs up to 20% and increase transparency and accountability.

o *Combating and preventing terrorism*

The threat of radicalism and violent extremism is not a new phenomenon in the world. The use of political violence and destruction to intimidate and weaken the status and peoples has been present throughout the centuries, wherever and whenever a political group or a religious group aims to destabilize and weaken borders, governments and societies harming civilians and societies through acts of terror.

The Government has revised strategic framework and has advanced it further in order to design strategic and institutional programmes in the fight against terrorism. Events that have occurred in recent years in Kosovo, Europe, and Middle East and beyond have made clear the need and interest of the Republic of Kosovo to develop a strategy through which to coordinate measures to strengthen the stability of the state and society against threats posed by radicalization and violent extremism. In this way, the Government of the Republic of Kosovo, together with the governments of partner and friendly countries will continue the fight against this common threat. In this regard, the Government of the Republic of Kosovo has drafted a "Strategy for the prevention of violent extremism and radicalization that leads to terrorism 2015-2020". Also, "National Strategy against narcotics trafficking" and "The New Strategy for combating trafficking in human beings 2015-2019" and "Cyber Security Strategy 2015-2018" have been designed.

In the area of serious crimes, corruption, organized crime and terrorism, 20 criminal groups have been broken during this period and there was an increase in the efficiency, seizure and confiscation of assets which have been acquired by criminal offense. The value of assets under administration by the Agency for Administration of Sequestered or Confiscated Assets is €2,584,630.23.

The Government of the Republic of Kosovo considers as an important step to build a strong and stable state and society to combat this global phenomenon and to ensure that this phenomenon has no place in Kosovo. To achieve these goals, we will stand and work together against this threat with our partners in the region and beyond. The US has highly appreciated the commitment of Kosovo in combating radicalism. During this year, there are achievements such as the development of joint operations with neighbouring countries and the EU, and in

reaching cooperation agreements. We have signed three international agreements in the field of police cooperation with Albania, Slovenia and the UK and Northern Ireland.

- *Full integration of all municipalities in the justice system*

The Government of Kosovo has shown a special commitment on regulation and unification of civil justice, the full integration of northern municipalities in the justice system. 39 agreements for capital investment projects in the amount of EUR 1 million have been signed by MLGA for 4 municipalities (Northern Mitrovica, Zubin Potok, Zveçan and Leposaviq) as well as 89 signed agreements on capital investment projects by 7 Line Ministries in the amount of EUR 14.5 million for 4 municipalities (Northern Mitrovica, Zubin Potok, Zveçan and Leposaviq).

- *Advancing the reform of Public Administration in accordance with the objectives derived within the European Integration*

During 2015, we have been devoted to the completion of the strategic framework for Public Administration Reform, as well as completing the legal framework in the field of public administration. A special importance was dedicated to classification and grading positions of civil servants in accordance with the catalogue of positions of civil servants, the new system of wages; and Information System for Human Resources Management. Strategic framework for Public Administration Reform 2015-2020 has been adopted, as well as the decision on the organization and functioning of the structures for the implementation of strategic documents in the public administration reform. The Council of Ministers for Public Administration Reform was founded (CMPAR), which was approved by the Government of the Republic of Kosovo with its decision no. 05/09, dated 21 January 2015.

In view of implementing legislation on civil service and improving the management of human resources in the civil service, we started the development of Training Strategy 2016-2020 for Civil Servants; the Draft Action Plan for Implementation of the Strategy of Civil Servants Training 2016-2018" as well as the methodology for classification of jobs in the Civil Service. We adopted the job catalogue for KCS and the Guidelines for the application of the Regulation on Staff Planning.

There have been improvements on work on the establishment of Information System for Human Resources Management, which enables management of all business processes and liaison with the payment system and the treasury system and the implementation of HRMIS in the institutions (the recruitment process) and the entry of staff physical data.

During 2015, we also continued with legal reforms aimed at improving the legislation in the field of Public Administration. Among the most important draft laws in the field of public administration drafted this year were: the draft law on general administrative procedure, the

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draft law on official holidays<sup>9</sup>, the draft law on wages paid by the Kosovo budget<sup>10</sup> has been finalized by MPA, the draft law on civil service<sup>11</sup> of the Republic of Kosovo.

**Kosovo Institute for Public Administration in 2015 has trained 2068 civil servants through 88 training modules in total, and there were 272 training days.** The officers trained were from the central and local public administration. The training sessions were attended by officials of high management levels, directors and executives with a wide representation including all ministries, agencies and municipalities. The gender structure of the participants in the training consisted of 43.25% women, 56.75% men, and 2.41% minorities who speak the Serbian language.

- *The improvement of strategic planning and institutional framework for the protection and promotion of civil, political, economic and social rights of all citizens of Kosovo.*

**The Government of the Republic of Kosovo is strengthening the institutional and policy framework for protecting human rights and promoting gender equality, guaranteeing freedom of expression and freedom of the media and increasing partnership with the Civil Society.** There has been a coordination of the work of the Council for the Implementation of the Government Strategy for cooperation with civil society and we have approved the Work Plan for 2015 for the Council as well as Building of Monitoring System of the implementation of Government Strategy for coordination with civil society. The model for National Grant Scheme for Civil Society (SNG) has been defined and National Fund for the Development of Civil Society has been finalized.

**Government has coordinated and ensured the progress of the implementation of the twinning project of the European Union against homophobia and transphobia.** Within the twinning project, we have certified 17 officers as gender equality trainers from institutions, such as: the police, judiciary and prosecution. We have also marked May 17, the International Day against Homophobia and Transphobia with a high participation of decision-making structures; the Guide for the implementation of the Regulation no. 15/2014 for the provision of services in sign language in the Republic of Kosovo have been designed; Paraplegia and tetraplegia Law has been approved in principle by the Assembly. The Draft Strategy and Action Plan for the inclusion of Roma, Ashkali and Egyptian Communities in Kosovo Society 2016-2020 have been drafted. The Working Group has been established to coordinate the process of the implementation of the recommendations of the Framework Conventions for the Protection of National Minorities; the Plan for Implementation of the recommendations of the Framework Convention for the Protection of National Minorities has been drafted.

**We are working towards drafting a strategy for the promotion and protection of language rights.** The comprehensive report "The monitoring and evaluation of language rights in

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<sup>9</sup>On amending and supplementing the Law no. 03/I-064

<sup>10</sup>Including: draft law on salaries of public officials, the draft law on public servant's salaries and the draft law on amending and supplementing Law no. 03/I-147 for salaries of civil servants)

<sup>11</sup>On amending and supplementing the Law no. 03/L-149

Kosovo" has been published during February-March period. The programme of courses was completed in twelve (12) municipalities of the Republic of Kosovo organized by ECMI, 185 civil servants have been certified, of which 68 for advanced knowledge of language, 33 for Albanian and 35 for Serbian language, 68 for beginner level, 46 for Albanian and 22 for Serbian language, while 49 civil servants have been certified for participation, 31 for Albanian and 18 for Serbian language. Government marked the European Day of Languages on September 24 and a radio campaign "Your language is your right" supported by the OSCE, has been broadcasted in Albanian, Serbian and Turkish languages.

- o *Increasing transparency, citizen participation in decision-making and enhancement of cooperation with civil society*

**Within the development of institutional capacities of municipalities and municipal transparency,** a media campaign has been organized for the right of citizens to information and the implementation of the Law on Access to Public Documents. In order to support the capacity of municipal officials in various areas of local government, we have developed different guidance documents.

Electronic program for the system of management of performance of municipal services (CSC/CSM) has been enhanced and data have been collected from municipalities on indicators measuring services, the development of areas and indicators for measuring the performance of municipalities, training of coordinators of municipal performance, mosaic 2015 - the survey of citizens about the levels of satisfaction of service delivery and evaluation of indicators of PMS.

**For promotion of local self-governance in accordance with the requirements of the European Agenda,** a link has been added to MLGA website containing information necessary for the process of European Integration, three cross-border cooperation programmes for 2014-2020 with three neighbouring countries Albania, Macedonia and Montenegro have been adopted, as well as partnership agreements and contracts for the implementation of these programmes have been finalized. 38 individual plans have been developed for each municipality on the obligations arising from the European agenda, as well as the analysis has been prepared for the fulfilment of the obligations of the municipalities from European agenda.

## Priority III: The European agenda and foreign policy

**Kosovo so far has been recognized by 111 countries, including the leading countries of the world.** Kosovo today is a member of the most important international financial institutions.

Diplomatic relations have been established with the following countries: Sierra Leone, Comoro Islands, Somalia, Cook Islands, Niue, while another 32 diplomatic relation agreements have been initiated. This year has been successful in terms of increasing the number of bilateral agreements, achieving 40 new agreements. Diplomatic and consular service in 2015 has been extended in Ottawa, Canada and preparations have been made for the opening of the Consulate in Iowa, US.

### ○ *European Integration*

Kosovo has marked a major achievement with the signing of the Stabilization and Association Agreement with the European Union and the initiation of the implementation of this agreement which will result in the European Union support for reforms in many sectors, in particular in the economic development, the increasing of economic efficiency, growth and creation of new jobs.

### ○ *Stabilization and Association Agreement -SAA*

SAA, except serving as an advanced platform which is expected to benefit the country's economy, also serves and promotes legal reform and policy-making, to be taken by the institutions of the Republic of Kosovo. It should be mentioned that the signing of the SAA is expected to align and integrate the country's economy with the European economic space and the EU member states. By signing the SAA, local producers are expected to have access to the EU market and have therefore boosting of production, employment as well as enhancement of the quality of products and services. Kosovo must be prepared to deal with the indirect effects (not always positive) for its economy. This agreement creates a new climate for economic relations, above all for the development of trade and investments, which are key factors in economic restructuring and modernization. At the same time, it expresses the commitment of Kosovo to align the legislation in respective sectors to that of the EU and to implement it effectively. On the other hand, the European Union will provide crucial support for the implementation of reforms and use all available instruments of cooperation and technical, financial and economic assistance on an inclusive and multiannual basis.

### ○ *The process of visa liberalization*

**The dialogue on visa liberalization with the European Union remains one of the key short-term priorities of the Government of the Republic of Kosovo.** The government of the Republic of Kosovo remains committed to close this chapter as soon as possible so that our citizens can travel without visas to the Schengen countries.

It should be emphasized that despite the commitment, dedication and progress achieved in addressing the demands that come from all parts of the roadmap for visa liberalization, Kosovo

was unfairly not given the green signal for the date of receiving of liberalization. Our citizens cannot move freely in the Schengen states and face excessive bureaucratic procedures to obtain a Schengen.

○ *The establishment of the Special Court*

One of the obligations of the Government of the Republic of Kosovo in relation to international factors was also the commitment to establish the Special Court. This is achieved through amendment of the Constitution of the Republic of Kosovo. Despite all the obstacles given the immanent demand of the international community, which said that the establishment of this court is vital for the Republic of Kosovo, Kosovo has managed to fulfil its part in relation to this obligation.

○ *Strengthening of multilateral relations, regional and international cooperation and continuation of strategic partnership with the Republic of Albania*

**The membership of the Republic of Kosovo in international organizations has been one of the top priorities of foreign policy during 2015.** The Republic of Kosovo has made the formal filing of acts of accession to the Convention Abolishing the Requirement of Legalization for Foreign Public Documents, otherwise known as the Apostille Convention, and the Convention on the Membership of the Permanent Court of Arbitration or the 1907 Convention for the Peaceful Settlement of International Disputes. In accordance with the legislation in force, Apostille Convention is expected to enter into force on 14 July 2016, and the Hague Convention for membership in the Permanent Court of Arbitration will enter into force on January 5, 2016.

Within the continuous strengthening of the role of Kosovo in multilateral relations and the inability of current membership as a member with full rights in the organization of the United Nations, we continued lobbying for further membership into other specialised UN agencies. It is worth mentioning in this regard that there was a maximum effort to campaign RKS membership in UNESCO, with the result that despite the procedural difficulties etc., place Kosovo on the agenda of the General Conference. Also, the Republic of Kosovo was represented in New York as part of the proceedings of the General Assembly of the United Nations, where many meetings were held with leaders of countries and organizations. We have continued with quarterly periodic representation in meetings of the Security Council of the United Nations where it is constantly reported on the progress and recent achievements in Kosovo.

**We have continued cooperation with international organizations in Kosovo.** In the first half of this year, the third meeting of the Working Group of the Council of Europe took place in Kosovo. The meeting is a continuation of efforts to intensify relations with the Council of Europe and the deepening of direct cooperation between the CE senior officers and line ministries of the Government of Kosovo. The Republic of Kosovo has signed a Memorandum of Understanding with the International Committee of the Red Cross. This memorandum provides for privileges and immunities the representatives of the International Committee of the Red Cross will enjoy during their mandate and activities in Kosovo.

In order to strengthen statehood and deepen good neighbourhood and regional cooperation and in order to strengthen regional peace, various activities have been taken within the framework of cooperation with countries in the region. Prishtina has been the capital of the Ministerial organization in the framework of the Berlin (EB6/Eastern Balkans Six); the participation of all states of the region, as well as the achievement of a constructive and inclusive statement has been highly praised by Commissioner Hahn. Various meetings have taken place with highest representatives of Turkish and Greek Government discussing issues of mutual interest and regional developments.

*Agreements concluded in 2015 with regional countries*

- *Interstate agreement for the development and strengthening of economic cooperation in all fields deemed to be of common interest between RKS and Slovenia;*
- *The agreement on the border demarcation between Kosovo and Montenegro*
- *Protocol of Cooperation with Montenegro on missing persons.*
- *Agreement on the establishment of the Fund for the Western Balkans in Prague;*
- *Protocol to the recognition of veterinary certificates between RKS and the Republic of Albania,*
- *Ministry of Foreign Affairs of the Republic of Albania, the Royal Norwegian Embassy in Tirana and Prishtina, and British Council signed a Memorandum of Understanding in the framework of cooperation for implementation of the "Project for digital diplomacy-Digital Albania and Digital Kosovo".*

In the context of strengthening strategic cooperation with the Republic of Albania (in economics, politics, culture, sports and other fields), actions have been coordinated to the second joint meeting of the government of Kosovo and Albania. A number of agreements in various fields have been signed at the meeting held on March 23, 2015.

o *Regional cooperation and normalization of relations with Serbia*

One of the objectives of the Government of the Republic of Kosovo is her goal for the development of constructive relations with countries in the region, being witnessed as a factor of peace and stability. In the process of normalization of relations with Serbia, in the dialogue, agreement was reached to justice, which will enable normal functioning of justice institutions in the northern part of the country, in compliance with laws of the Republic of Kosovo.

The aim of the Government of the Republic of Kosovo through a process of dialogue with Serbia is to contribute to advancing the interests of the country, its role in the region and the strengthening of its subjectivity in international relations and global institutions.

Regarding the agreements reached in Brussels, important agreements have been concluded, and agreements that strongly integrate Serb community in the institutions and in economic and social life of Kosovo, which enable local and central institutions to exercise unfettered their



responsibilities in the whole country. The agreements reached include the following areas: justice, dissolution of "civil protection", arrangements for telephone code, energy (unlocking the process of implementation), the removal of barricades from the bridge of Mitrovica and the Association, agreements on vehicle insurance, trade of medical products, stopping of illegal construction in the north, mutual legal assistance, the electronic exchange of customs data and licensing of companies in the north. With regard to the Association, the agreement makes clear that it will not have executive powers and is in accordance with the constitution and the laws of Kosovo. Kosovo has conditioned the establishment of the Association with the full removal of the parallel structures of Serbia in Kosovo.

- *Educational and cultural support for the Diaspora in order to preserve the national identity and promote cultural and national values*

**The Government of Kosovo is committed to have as much cooperation with the Diaspora in order to preserve the national identity and promote cultural values.** During 2015, there were a series of activities whose purpose was to promote the preservation of cultural values, protect young people from assimilation and realize joint projects with compatriots living abroad.

After signing the interstate agreement on March 23, 2015, in Tirana for the organization of learning Albanian language and culture in the Diaspora between the Minister of Diaspora and Minister of Ministry of Education of Kosovo and Albania, working groups for implementing the agreement already started their work. A Memorandum of Cooperation has been signed with the Ministry of Culture of Kosovo and Albania, to promote cooperation between the two governments on programmes "Days of Albanian culture in Diaspora" and the establishment of joint cultural centres in Diaspora.

A campaign has been organized under the slogan "You are part of the Homeland", which is designed to promote the Diaspora registry, which lasted three months. This campaign was supported by various businesses in Kosovo who offered their products for free to compatriots at the borders. Among the supporters of the campaign was the PTK, which gave 70,000 "Vala" operator numbers free of charge for all compatriots who were registered in the Diaspora registry and as a result there were over 150.000 compatriots who registered during the summer. It was managed to reduce the Green Card tariffs by 50%, while efforts continued to complete abolition of this fee, proposing the signing of bilateral agreements with member states of the Council of Bureaux.

On August 2<sup>nd</sup>, the Day of Diaspora, the prizes "The Expatriate of the year" have been awarded for six areas. Journalism prizes have been awarded for two categories- the best TV history to promote Diaspora and the media who have given special contribution to the promotion of Diaspora. Also, in cooperation with Kosovo Philately, a special edition of postal stamps, themed "Diaspora", has been presented.

**Promotional and supportive policies have been implemented for the development of economic activities by the Diaspora.** Expoforum has been organized in Prishtina to identify new ways of financing strategic projects between Kosovo and Albania. Expoforum opened with the mini fair of products of producers from Diaspora in Kosovo. In Switzerland, cultural activity of tourist economic forum for Kosovo was held, attended by numerous businessmen from Kosovo, Switzerland and other countries. During this year, the first phase of the project has been completed, by establishing networks of jurists in Germany, Sweden, Austria, Switzerland and Italy, as well as networks of Diaspora businesses have been established in Australia, Germany (Hamburg), Turkey (Istanbul), Sweden and Norway under the project for the networking of Diaspora businesses. About 60 Albanian businessmen from around the world, representatives of business networks of the Albanian Diaspora from different countries of the world have gathered over four days in Prishtina, Istog and Tirana. Economic forum was held with the theme "Improving the environment for investments by investors of the Diaspora in Kosovo". With the aim of promoting the Albanian business networks established in the world, information concerning their objectives and goals, as well as other business motivation to join the network and contribute to the field of investment and country's economic development, a monograph has been prepared, in which the whole process of establishing these networks is documented.

**Albanian culture, language and history were promoted through the Diaspora in order to preserve the national identity.** Three cultural centres in Switzerland, Turkey and Sweden organized cultural events dedicated to the Day of Declaration of Independence of the Republic of Kosovo. Manifestations were held in different cities, with the participation of representatives of the Government of the Republic of Kosovo and a large number of compatriots. In Sweden, in cooperation with Albanian schools in Halmstad, the 30<sup>th</sup> anniversary of the Albanian school in Halmstad was celebrated with a rich cultural artistic programme and in cooperation with cultural-educational groups and rhapsody groups, the first festival of Albanian rhapsodist in Sweden was organised.

To support the process of teaching in Albanian language, over 50 thousands books and other school materials have been distributed in Croatia, Slovenia, Austria, Italy, Switzerland, France, Germany, England, Sweden, Belgium, Denmark, Greece, Turkey, Australia, New Zealand, Canada and the US. Also in the Diaspora, 13 new classes of Albanian language learning were opened, as a continuation of efforts to preserve the native language. In order for pupils, students and teachers from Diaspora to strengthen ties with their homeland, in 2015, eight excursions and two summer camps of both educational and introductory character were organized. Over 350 participants (Albanian pupils, teachers, students and parents) from Turkey, Greece, Austria, Germany, Sweden, etc., were involved. Organization of knowledge quiz with students from Diaspora in Sweden, Germany, Greece, Switzerland, and Slovenia as well as the final competition in Kosovo were an added value to the preservation of national identity.

The traditional event “Days of Diaspora” has been organised, which this year was characterized by more than 200 activities in the field of art, culture, business, education and other fields. Also, within this event, the prizes for the expatriate of the year have been awarded. Based on the agreement signed between the Government of the Republic of Kosovo and Albania, this year “Days of Albanian Culture in Diaspora” was organised in partnership with the Ministry of Culture of Kosovo and Albania. Activities were organised in Switzerland, Belgium and in Germany.

The Government has given importance to supporting the youth in Diaspora in order to educate them on national values and preservation of the native language. The establishing of mechanisms to structure the Albanian Diaspora resulted in the establishment of youth and student networks in Diaspora. This year, for the first time, new internship programme has been promoted and tested for students of the Diaspora interested in performing practise in Kosovo institutions. This programme was attended by 30 students, who stayed in various central public institutions.

## Strategic Priority IV: Education, Science, Culture and Youth

### o *Advancement of education at all levels*

Advancement of Education and Science, as a priority of the Government of the Republic of Kosovo, has had continuous support in terms continuous reformation and improvement of the education system in Kosovo.

#### *Achievement indicators in the education system*

*Kosovo has developed its education system in all levels, with a particular emphasis on achievements related to the inclusion of students in the system. Today:*

- *On average 9 out of 10 children attend primary education, 8 out of 10 children attend secondary education, and 5 out of 10 youth attend higher education.*
- *Around 17% of the total budget of the Republic of Kosovo is allocated to education (€263 million).*
- *Investment in education has increased for around 30% compared to 2010.*
- *Kosovo has 23.830 teachers, 382.000 pupils and 122.000 students.*
- *The physical space per student has improved by 15%.*
- *The ratio of teachers to students has improved by 16%.*

### • **Pre-school education**

An integrated approach to early childhood education has been developed in pre-school education. It combines the education process, healthcare, education, games and professional care for their development. In order to promote inclusive pre-school education in Kosovo, during 2015 cooperation was established with the Swiss CARITAS for supplying 150 classrooms with modern equipment and for providing quality training of educators. As part of improving

the quality of education work, 890 educators of pre-school classes and pre-school institutions for implementing the basic document for this level "Early Learning Development Standards for Children of age 0 to 6". Two practical guides have been developed for educators and parents, which will assist educators in their practical work with children, and the first draft of the core curricula for pre-school education for children aged 0-5 is in finalization.

In cooperation with Save the Children, 2 community centres have been opened in the municipalities of Mitrovica and Obiliq, employing 6 educators.

- **Primary and secondary education**

**The process of implementing the new competence based curriculum has advanced in primary and secondary education.** The new curriculum was piloted initially in the school year 2013/2014 in 10 schools, expanding further in school year 2014/2015 to 85 other primary and secondary schools. From the schools included in the curriculum piloting, so far 6700 teachers (in school year 2013/2014 -700, 2014/15 - 3800 and 2015/2016-2200) have been trained for implementing the curriculum, and effective management capacity building training has been provided (140 candidates have been certified during 2015). Development of subject curricula for pilot classes, revision of textbook content and development of other teaching materials, application of new practices for assessing knowledge of pupils and functioning of professional activities in pilot schools are some of the important components of this process.

**Achievement of pupils in national tests improved by 8% compared to 2011.** During 2015, Kosovo participated for the first time in the international student assessment (PISA), which is an international assessment of the knowledge of 15-year-old pupils in reading, math and science.

The agreement with the World Bank has been signed during this year, amounting to 11 million USD for the new project for the improvement of the education system in Kosovo. The project will support the improvement of management capacities in the pre-university education sector and the development of school infrastructure with the aim of quality improvement in pre-university education and of capacity building of central institutions for monitoring learning outcomes and assessing pupil learning.

To ensure improvement of teaching and learning conditions, 20 new school buildings have been built for the pre-university level and equipped with the necessary inventory. This activity included the municipalities of Viti, Deçan, Dragash, Ferizaj, Lipjan, Prizren, Mitrovica, Podujeva, Suhareka, Kaçanik, and Peja.

Under implementation of the Collective Agreement, the first permanent contracts were promoted for teachers, unique to all teachers of the pre-university level in Kosovo, which aim to safeguard the job position and the rights of teachers.

**During 2015, a good cooperation has been reached with the Republic of Albania in terms of institutionalizing supplementary learning in Diaspora** by supporting children of Diaspora with textbooks and supporting various education activities aimed to ensure preservation of national language and identity. Cooperation with the Republic of Albania continues with

professional development concerning unification of curricula. Cooperation also continues in the area of approximating pre-university education curricula focusing on the revision of the Curricula Framework, teaching plan, and curricula for subjects and classrooms, assessment techniques and reformation of improvement of textbook quality. Moreover, the Government continued with the project of repatriation by organizing courses and supplementary teaching for repatriated pupils (in 10 municipalities, including 150 pupils). The Government has trained 40 trainers for implementing "Equal opportunities in education for all" manual and has established 120 teams for drop-out prevention and response at school and municipal level.

**The Government for the first time established the Council of Experts of school programmes and texts, which aims to assure the quality of textbook development based on certain standards.**

In this period the Government invested on integrating information technology in the education system. It has worked on creating open platforms, developing materials with electronic content for our schools and implementing platforms for the digitalization of learning content in audio-visual form of the school program. Kosovo has started implementing the "ICT and e-Learning in Education" and "Matura Digitalization and E-education" projects, supporting over 190 schools in entire Kosovo with supplies of modern technology equipment (€1.5million). The *e-Education* project from BIT media has completed the first phase of training of 51 teachers and the second phase of training 100 teachers and 300 administrators for creating electronic portals and their management. Moreover, in cooperation with the Agency of Information Society, the e-school application has been developed and expanded. This application digitalizes the entire teaching process in the pre-university school system (digitalization of central registry in schools, classroom diaries; schedules; documents; certificates; grade cards; registry of pupils and teachers; registry of teaching subjects; registry of schools, classrooms and inventory; school curricula; achievement of curricula for each teacher individually).

**Quality assurance remains a Government priority at all education levels.** The Government has adopted the Strategy for Quality Assurance in Pre-university Education in Kosovo 2016 - 2020<sup>12</sup>. This strategy will serve as a guide for quality improvement in the pre-university education sector through three main pillars of this document, such as: reformation of the teaching process to ensure modern teaching, lifelong career development of teachers and strengthening of practical aspects of curricula.

- **Vocational education**

**Vocational education focuses on harmonization of the new curriculum<sup>13</sup> with needs of the labour market in Kosovo.** The National Qualifications Authority in Kosovo is a member of the Counselling Group for the European Qualifications Framework (EQF). The European Training

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<sup>12</sup>Supported by the twinning project financed by the European Union and Culture Contact Austria

<sup>13</sup> With the support of the European Union and the Austrian Agency for Development

Foundation in its 2015 report mentions the National Qualifications Authority and Kosovo in general as the most advanced country of the region in terms of implementing the National Qualifications Framework. Kosovo will for the first time participate in the research and publications of the European Centre for the Development of Vocational Training (CEDEFOP)<sup>14</sup> related to national frameworks.

The Government has drafted the concept vision for the Agency for Vocational Education and Training and Adults' Education. It has also initiated the process for drafting the Vocational Education and Training Curricula Framework, the finalization of which with the support of developmental partners is expected during 2016. As part of provision of informal education, the compensatory learning and vocational education (2013 attendants) project, as well as "Basic literacy for women and blind persons" programme (total 50 women and 30 blind persons) have been completed.

In cooperation with the Ministry of Labour and Social Welfare, the Education and Career Orientation Strategy has been prepared and began implementation.

- **Higher education**

**During this year, the Government has carried out activities to ensure the academic autonomy of higher education institutions as an essential condition for quality improvement in higher education.** It has supported with concrete measures public universities concerning teaching programmes and budget administration, to ensure that universities use effectively the available resources. Compliance and a coordination plan have been achieved with the University of Prishtina to provide support with academic staff for a certain period to assist new public universities. This support has been concretized with agreements of understanding signed by the University of Prishtina with the universities of Gjakova, Gjilan, Mitrovica and Prizren. During this year, successful elections have been organized for the first time in three (3) public universities in Gjakova, Gjilan and Mitrovica for electing management bodies of the university.

**Higher education is increasingly oriented towards needs of the labour market.** In 2015, the University of Applied Sciences in Ferizaj has been established as a public higher education institution which will function as a special and unique university in Kosovo focused on vocational departments with a great potential for developing new professional and academic staff based on the labour market. It has started work in the following study programmes: Interior Architecture and Furniture Design; Industrial Engineering and Informatics; and Hotel and Tourism Management.

During the academic year 2015/2016, at the Public University "Hasan Prishtina" the number of students in different fields of study has been coordinated to reflect labour market needs and based on university staff capacity. This platform has decreased the number of students enrolled

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<sup>14</sup>CEDEFOP is a European Union Agency, which supports the development of European vocational education and training policies.

in the first year of studies in social sciences by 2724 students. The total enrolment of students in public universities in Kosovo in the academic year 2015/2016 was 15,515.

In order to support students in different areas focusing on important branches strategic for the economic development of Kosovo, with a particular focus on exact sciences, agriculture, engineering, mathematical-natural sciences and education, the Ministry has given 750 scholarships for students of public higher education institutions in deficit programmes.

**Quality improvement in education has been an important challenge and objective of the Government.** The Accreditation Agency of Kosovo has been accepted in the European Quality Assurance Registry (EQAR) for higher education. The Government has closed all higher education institutions, which operated without accreditation and license in the Republic of Kosovo. Co-financed by USAID, the Government has allocated 89 scholarships for MA studies in USA, and through the Central European Exchange Programme for University Studies (CEEPUS) it has supported the mobility of tens of academic staff abroad. More than 130 Kosovo students benefited scholarships for studying in the best world universities. The Government has for the first time developed and implemented the Higher Education Information Management System (HEIMS).

As part of the advancement of education and science, the Ministry opened the Centre for Excellence in higher education, which will continuously ensure provision of modern teaching for the 21<sup>st</sup> century, which takes into account the fact that we need interactive teachers competent in methods that enable Kosovo students to get quality teaching.

- **Scientific research**

**In order to advance the education system, the Government of Kosovo is also taking steps to define stimulation schemes for participating in international projects, including Horizon 2020.** Horizon 2020 will provide support to projects until 2020 with a budget of over EUR 70 billion. The Republic of Kosovo currently has the status of an international country for cooperation in Horizon 2020. In order to obtain the status of associated country in 2020, the Government of Kosovo is working for building national capacities to apply as much funds as possible. In the area of science, the Government has supported research and scientific activities<sup>15</sup> through different grants. It has supported 14 scientific projects, 8 scientific publications, 5 publications in journals with an impact factor, and has provided grants for short-term mobility (42). Kosovo is active in the EU Framework Programme for Research and Innovation - Horizon 2020. Applicants from Kosovo have won 4 projects. The Ministry has drafted during 2015 the Kosovo Innovation Strategy.

**Kosovo has further deepened regional cooperation in areas of education and science.** During this year, the Government of Kosovo has also participated in the Western Balkans Research and Innovation Conference of Ministers, which was held today in Split of Croatia. During the

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<sup>15</sup>Under the Fund (€570.000)

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conference, ministers of education and science from Kosovo, Albania, Croatia, Bosnia and Herzegovina, Serbia and Montenegro signed an agreement for establishing the Western Balkans Research and Innovation Centre.

Cooperation in areas of research and innovation is a necessity of the time for the countries of the region and it is a good opportunity to enable our countries to walk together on the road to European integrations.

During this year, the Ministry of Education, Science and Technology of the Republic of Kosovo has signed a Programme of Cooperation with the Ministry of Education and Science of the Republic of Macedonia. The Programme has been signed under the Agreement of Cooperation in the area of education and science in Vlora between the two Republics and aims at strengthening relationships of the two countries in this area.

**During 2015, the Government has focused on substantial changes within the education legislation reform.** The Government has adopted the Draft Law on Higher Education in the Republic of Kosovo and the Draft Law on Regulated Professions in the Republic of Kosovo, adopted by the Government, and the Law on State Matura and the Law on the Kosovo Academy of Sciences and Arts, adopted by the Assembly.

o *Culture and cultural and historic heritage*

**During 2015, the Government has progressed in the revision of the legal framework and in the development of strategic staff.** The policies pursued in the area of culture aimed to lay down rules for cultural support. The Government has adopted the Draft Law on Cinematography and has initiated the development of the National Strategy for Culture 2016-2020. To ensure full operationalization of cultural institutions, the Government has consolidated steering councils of institutions of culture and cultural heritage. In addition, it has ensured their financial autonomy by providing them with special sub-codes and allocating annual budget to them.

**The Government has taken further steps concerning cultural cooperation with different countries.** It has finalized agreements with Croatia and Bulgaria, and has initiated three new agreements with Montenegro, Italy and Switzerland. It has continued implementation of the Protocol of Cultural Cooperation with the Republic of Albania, as well as attendance in the Biennale of Venetia, in the Frankfurt Book Fair, etc. It is working on the organization of "Days of Albanian Culture" in Diaspora.

**Cultural activity was rich with cultural activities organized in Kosovo and abroad.** The Ballet Ensemble has given four premieres with imminent world choreographers, as well as a premiere in Graz, Austria. The Kosovo Philharmonic Orchestra has held 22 premiere concerts, while the Philharmonic Choir has held four concerts in Prishtina and Albania. In addition to two premiere concerts, the National Ensemble "Shota" has given tens of other concerts in Kosovo, Albania and Macedonia. Noteworthy is its participation in the Portugal Festival and the



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International Festival of Folklore in Gjirokaster, where Kosovo participated with two groups of 60 participants presenting values of the tradition of our folklore.

**In terms of cultural heritage, the Government has continued its work for supplementing and advancing the legal and strategic framework.** It has adopted the Draft Law on Cultural Heritage and has drafted the National Strategy for Cultural Heritage. The Government has appointed and operationalized steering councils for three central level institutions, such as the Kosovo Institute for the Protection of Monuments, the Kosovo Museum, and the Archaeological Institute of Kosovo. In addition, as part of the implementation of the Law on Cultural Heritage, the List of Cultural Heritage for Temporary Protection consisting of 1525 assets of 5 categories, including special protection zones was completed.

The conference titled “Cultural Heritage and Tourism” has been organized for the first time in 2015. With the participation of renowned international and national specialists, including the university, the conference addressed topics of interest to the cultural heritage of our country, ranging from legislation to promotion.

With its rich cultural heritage dating from early antiquity and until new history, Kosovo has a lot to offer to the world; therefore, recognition of these values lays down international standards before us. Even though Kosovo was not accepted to UNESCO, our state was strongly supported during the voting process and this is a special indicator that the Government of the Republic of Kosovo has met the standards for membership in UNESCO.

o *Youth empowerment*

**Considering the fact that Kosovo’s population is mainly composed of youth, the Government of Kosovo is committed to support the advancement and prosperity of youth.** In this area Kosovo has made progress through different projects with an obvious impact on its youth. During this year, the Government has invested in supporting physical and institutional infrastructure and capacity building. It has completed the youth centre building in Gjilan and has contracted the construction of the youth centre building in Ferizaj. Around 150 participants have been trained under the capacity building project for municipal youth officials, representatives of youth centres and representatives of local youth action councils. The Government has also supported a significant number of youth and youth organizations under regional and international cooperation and networking.

Under its employability and entrepreneurship objective, it has provided entrepreneurship training to 800 youth on life skills, in order to prepare them for the labour market, and 220 of them benefited business start-up grants. Under its social integration policy, the Government has supported 75 projects of youth organizations, contributing to the achievement of specific objectives, such as: social cohesion, voluntary work, and integration of young men and women from rural areas, persons with disabilities and minorities. Moreover, it has supported around 45 youth organizations for projects related to human safety and health education for the youth.

**In the area of youth, the Government has signed bilateral and multilateral agreements with countries of the Balkans.** Agreement of Cooperation in the area of youth between Albania and Kosovo; the Joint Statement for the Establishment of the Regional Office for Youth Cooperation in the Western Balkans (Albania, Kosovo, Montenegro, Serbia, Macedonia and Bosnia and Herzegovina).

○ *Support to Kosovo sports*

**The Government of Kosovo is committed in continuity to provide support to sports in Kosovo.** It has improved the infrastructure of sports and recreation facilities, such as sports halls in Dardane, Rahovec, Deçan, Istog, Skenderaj, Klina and Mitrovica. It has continued works in the stadiums of Prizren and Vushtrri and has completed the construction of 14 sports polygons in regional centres.

To ensure prevention of violence in sports, the Government has adopted the Draft Law on the Prevention and Fighting of Violence in Sports.

During this year, the Government has taken concrete steps for the development of governmental and non-governmental organizations, and for the reformation and advancement of work under OCK, sports federations, associations and sports clubs, which has contributed to the improvement of the situation in federations in particular and in sports in general. In this regard, substantial results have been achieved, including development of staff and membership and licensing of Kosovo sports at international level.

## Strategic Priority V: Modern Healthcare

**The Government of the Republic of Kosovo is determined to reform and modernize the healthcare sector.** The three requirements for the reform development are: clear vision, policy framework promoted and advocated by the Government, and political will to implement changes. These three elements provide the foundation for healthcare reforms, considering the fact that the Government of Kosovo is addressing, for the first time, healthcare as a priority and has included it among its five top priorities.

### o *Healthcare reform and modernization*

During this year, the Government has presented the logical framework of actions resulting from the Health Sector Strategy 2015-2020 and the accompanying Action Plan. The stakeholders involved in the healthcare reform have provided their vision and contribution to the achievement of objectives set out under the healthcare reform. The logical framework of actions will serve as an instrument for measuring strategy implementation, together with the Action Plan, which will guide development of the plans of healthcare departments and institutions. The Government aims to develop an outcome based sector strategy as a new approach to the implementation of this strategy that ensures measurement of achievement with concrete outcomes. The Government has also laid down clear indicators to ensure that the Strategy does not remain only a document stored in drawers, but is applied instead.

**The Government aims to reorganize new roles in the health sector through functioning of Chambers of Healthcare Professionals.** During 2015, the Government concluded the cycle for establishing five professional chambers with the establishment of the Chamber of Physiotherapists of Kosovo and the election of its bodies.

**The Government has completed the legal framework for the health sector.** It has adopted the Law on Mental Health, the purpose of which is to lay down basic rules on mental health, to promote mental health, to prevent problems associated to it, and to guarantee the rights and improve life quality of persons with mental disorders, as well as the Law on Breast Feeding, which protects breast feeding by encouraging and promoting it, and by limiting the marketing of certain food products for babies and small children.

In addition, the Government has adopted the following administrative instructions: for authorization of marketing for medicinal products; for the organization, determination of services, and the scope of activity of Primary Health Care (PHC) institutions; for galenic laboratories; for the commission for evaluation of medicinal products and medical devices; for the Board of Complaints; for general and specific hospital conditions; on good practice requirements of production and authorization issuing and on the certificate of good production practices of products; for clinical protocol and guidelines; for smoking-free environments and placement of no-smoking signs in closed environments; for mandatory health insurance premium collection; and on retail suppliers of medicinal products and medical devices.

**The Family Medicine Residency Training Program of Kosovo** has been accredited by the Royal College of General Practitioners of the United Kingdom. The Government has published the fourth edition of the Official Register of Medications in the Republic of Kosovo. The new register contains 160 new molecules and 613 kinds of different registered medications, whereas the Kosovo medications market is solid and contains about 700 molecules and 3000 pharmaceutical forms. As part of continuing professional education, 84 healthcare professionals have attended professional activities, such as congresses, courses, seminars, workshops, etc.

To support capacity building in the healthcare service of prisons, ten (10) additional staff have been employed. The Health Financing Agency, supported by World Bank funds, has started the training process of 50 officials from the Ministry of Health, the National Institute of Public Health, and KHUCS as master trainers, who will then train all relevant staff.

**In order to continue with the development of the Health Information System, the Government has launched the Integrated Health Information System (HIS).** HIS is being piloted in the region of Prishtina, at the Clinic of Paediatrics, which is the first of 68 institutions where HIS will be piloted.

**The Government has made capital investments for improving health infrastructure.** The Government has continued with the construction of the Main Family Medicine Centre in Kaçanik and Skenderaj. It has completed the renovation of the Main Family Medicine Centre in Zveçan. In addition, it has initiated tender procedures for the construction of the Clinic of Emergency building and for the construction of the Family Medicine Centre in Bajr, Mitrovica.

o *Protection of population health*

**The Government continues to focus on the Mother, Child and Reproductive Health.** It has undertaken a series of promotion and training activities with healthcare professionals to ensure effective healthcare. In three (3) pilot municipalities in Prizren, Gjakova and Fushe Kosova, Family Medicine teams have carried out 839 home visits in total, including 232 pregnant women and 607 children. Out of these, 31 visits were carried out in the Roma, Ashkali and Egyptian communities. The promotion and support activities have decreased the infant mortality rate. In 2015, the perinatal mortality rate was 11.9, which shows a declining trend of 4% compared to 2014.

**As part of the implementation of the Strategy for the integration of Roma, Ashkali and Egyptian communities in the Republic of Kosovo 2009-2015, the Government has continued the immunization programme for children of these communities by vaccinating children who were unvaccinated or partially vaccinated.** The Government has undertaken awareness raising campaigns in order to prevent exposure to lead for the Roma community as the most vulnerable community. The population of Ashkali and Egyptian communities is integrated in the healthcare system, while the Roma community still hesitates, despite priorities and the efforts. The Government has delivered the blood test device and the products used to treat persons diagnosed with a high level of lead in blood.

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**During 2015, the Government has continued implementing the National Programme for Cancer Control in Kosovo 2014-2020.** Through the mobile mammography project, 994 women were examined in different regions of Kosovo. Mobile mammography services were so far provided in the different regions of Kosovo, as: Gjilan, Viti, Novoberdo, Zhupa e Prizrenit, Prishtina and Podujeva. During 2016, the examination will continue in other municipalities in accordance with the dynamic plan of mammography device movement.

## Sectorial Reports

### Office of the Prime Minister

Office of the Prime Minister, in the leading role of the coordination on the rules of the Government, is focused in fulfilling the tasks assigned within the Government strategic priorities, as well as in fulfilling tasks within OPM priorities. Within the fulfilment of these tasks, 497 decisions have been issued during 62 Government meetings, where 24 concept papers have been approved and 80 draft laws have been forwarded to the Assembly. Draft laws, together with 39 draft decisions of the Government, as opinions, reports, strategies, programmes for information, proposals for appointments in boards, commissions, etc., have been forwarded to the Assembly. Moreover, 364 parliamentary questions have been received by the Assembly and forwarded to the ministries, and 11 government decisions have been forwarded to the President of Republic of Kosovo for granting authorization to the ministries for signing International Agreements. The Government has approved the following: twenty-four (24) bylaws; seventeen (17) Regulations; seven (7) Administrative Instructions. The government has approved a total of 137 bylaws (16 Regulations and 97 Administrative Instructions). The Government has approved a Guideline on Ex-post Evaluation of Legislation in Republic of Kosovo, which will serve to establish the steps required to be taken to do ex -post evaluation. With the aim of Registry operation, the Government of Kosovo approved on 15.04.2015 the Regulation No. 06/2015 on the Central Registry of the types of permits and licenses.

With the purpose of further increase of the government capacities for policies development, the Secretariat has reached agreement with the Swedish International Development Cooperation Agency SIDA- project "Multi-year Support to Improve Policy Development in Kosovo" that will support the Office of the Prime Minister and Ministries for a period of 4 years with a budget of EUR 3.2 million.

The monitoring and evaluation of the strategic priorities implementation and objectives is made as set out in the Annual Work Plan of the Government for 2015, as well as monitoring and evaluating the implementation of Government decisions in the three months periods for which analysis are prepared.

GCS, as the coordinating institution, has helped in the functioning of government bodies and helped the work of existing committees. In this regard, the work of the Working Group on dealing with the past and reconciliation has been supported, and procedures for election of board members to 15 Publicly-Owned Enterprises, including cooperation with the respective municipalities for water companies and water supply, have been developed.

Boards were completed with members from the Government, which were forwarded to the Assembly for: Commission on Jurisprudence Examination; National Council of Science; Public

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Procurement Regulatory Commission; the Governing Council of the Kosovo Judicial Institute; Procurement Review Body; Privatization Agency of Kosovo; the Energy Regulatory Office; and the Regulatory Authority for Electronic Communications and Postal Services, the Independent Commission for Mines and Minerals.

**Commission on Revision of Requests for Purchasing Apartments** for which exists Tenure Right has completed the process of applications revisions, where 58 contracts have been signed for purchase of apartments.

**For support to government bodies** during this period we have worked on fulfilment of the procedures for evaluating of performance for senior officials, disciplinary proceedings, dismissal of senior executives and procedures to resolve complaints. Proposals for the extension of mandates for senior executives have been drafted, derived from 8 meetings of Council on Senior Management Positions, where 12 decisions and 3 recommendations have been issued.

**The Government continued with the identification and revision of Government priorities and strategic documents**, Strategic Challenges have been assessed, where the strategic framework in the field of education, science and technology, culture, youth, sports and social welfare has been analysed. We have also held consultation on changing the approach in the drafting of strategic documents, by suggesting taking a more sectorial approach, and this provides instructions and information on ministries regarding the need for changes in some aspects and the process of drafting the National Strategy for the Integrated Development and Planning.

We continued the leadership of the Working Group on drafting the Strategy on Prevention of Violent Extremism and Radicalisation Leading to Terrorism 2015-2020.

As part of the Government of Kosovo commitment in the framework of the Regional Cooperation Council (RCC), the OSP supported by FRAME initiative of European Training Foundation (ETF), has coordinated the process of drafting the strategic document "Kosovo Vision for Skills 2020", and fully finalized this strategic document together with its Roadmap, Measures and Indicators, which were adopted by the Government of the Republic of Kosovo.

**In the context of good governance**, the following have been completed: Assessment Report of the Strategy and National Action Plan on Children's Rights 2009-2013; publication of the guideline for implementation of the protocol for the prevention of violence in pre-university education institutions; drafting of indicators against violence; monitoring report of Indicators for Justice for Children and addressing recommendations derived to the responsible institutions; finalization of the necessary actions over the reporting process to the Convention on the Rights of the Child; the progress of activities of the Council for Protection and Justice for Children; the annual report of the Council for Protection and Justice for Children; annual report for civil society-government cooperation; strengthening of cooperation between the Government and civil society in Kosovo.

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The Government drafted the assessment report for the Government Strategy Implementation for civil society cooperation, as well as Council Work Plan and implementation of the objectives and measures set out in the government Strategy and Action Plan for cooperation with civil society.

**Regarding the area of regional cooperation** - EUOK, during the reporting period, has developed activities within the planning office in coordination with the RCC Secretariat in Sarajevo. During February 3-4, 2015, RCC Secretariat, in collaboration with MTI, organized in Pristina the two days meeting of South Eastern European Strategy SEE -2020. On February 11-13, 2015, took place the first meeting of SEE-2020 Programmes Committee, where the Government was represented by MEI and MFA, organized by RCC. In this meeting was discussed about the commitments made in relation with the implementation of the Strategy for South Eastern Europe 2020, and to establish a so-called forum "SEE 2020 Programmes Committee". Meeting for Donors Coordination in the Western Balkan was held in Sarajevo (February 12-13, 2015). The RCC National Coordinator was appointed in April 2015. On May 12, 2015, the regular meeting of the RCC Board took place in Sarajevo, in which case the Republic of Kosovo was represented by the MFA. While on May 22, 2015, the Annual Meeting of the Regional Cooperation Council took place in Tirana, in which Kosovo was represented by the RCC National Coordinator. With invitation of Roma Decade Secretariat on September 10-11, 2015, Roma National Coordinator - representative of the OGG/OPM participated in the International Steering Committee in Sarajevo, in which case they discussed the regional project "Roma Integration 2020". The office of the Regional Cooperation Council has concluded its activities with participation in the regular 27<sup>th</sup> meeting of the RCC Board, which was held in Sarajevo (October 15, 2015), represented by the RCC National Coordinator.

**The issue of missing persons** continues to be institutional priority, particularly considering the challenges faced by the competent institutions of the Republic of Kosovo, mandated to clarify the fate of missing persons. Governmental Commission on Missing Persons, in accordance with the powers and mandate, has continued the organization and holding of regular meetings of the Commission, over 11 meetings of the Committee (of which 8 are regular meetings and three extraordinary meetings) and a number of meetings with local and international stakeholders involved in the process of resolving the fate of missing persons.

During this year, there are over 20 excavation activities in the field, conducted by local and EULEX forensic experts, and include 16 locations in the Republic of Kosovo and 2 locations in Serbia.

It should be noted that from 16 locations in the Republic of Kosovo, 8 of them or 50% of the total number of excavated locations this year, have resulted in findings of human remains, including locations such as: the Muslim Cemetery in Mitrovica; location in the village Pjetershan, Municipality of Gjakova; location in the village Leshan, Municipality of Suhareka; location in the town cemetery in Prizren; location in the Orthodox cemetery in the village Budisalc, Municipality of Klina; and three locations or initiated cases in addressing of possible miss-



identification, such as location in the village Hodonovc- Kamenica; location in the village Pastasel, Municipality of Rahovec; and location in the village of Krushe e Madhe, Municipality of Prizren.

As mentioned above, during this year, 2 locations have been excavated in Serbia (the case of Kozareva, Novi Pazar, and the case of Kizhevaku, Rashke), both of these cases related to the information and requests of the Delegation of Kosovo years ago to the Serbian Delegation. The result of excavation at the location in Kozareve was negative, but the case for the Government Commission of the Republic of Kosovo on Missing Persons has not been completed as it was not included the whole marked area, while works are continuing in marked location in Kizhevaku. In respect of the families' right to know about the fate and whereabouts of their loved ones during the war, mortal remains of 65 persons, victims of war, have been returned to the families of missing persons for reburial. From these reburials there are 59 new identifications and 6 remains reunification cases of persons identified years ago. The government has covered almost all the reburial costs, in accordance with the legislation in force. Also during this year, in the framework of reburial process, namely delivering of mortal remains of identified persons to the families, the Government Commission for Missing Persons has been engaged and has supported families in case of repatriation from Bosnia Herzegovina to the Republic of Kosovo, as was the example of a person, citizen of Kosovo, victim in the Bosnian war.

In the context of regional cooperation, the Government Commission on Missing Persons, namely the Government of the Republic of Kosovo has played an active role in attempt of Committees from regional countries for creation of a Regional List of Missing Persons, in particular at a regional meeting held from 7 to 8 May 2015, in Montenegro, where it has been decided in principle on the 'Agreement for the creation of this list' and modalities on how to proceed further on the "Project of the Regional List of Missing Persons." The Working Group on Missing Persons held two meetings, namely between Kosovo and Serbia delegation, as well as a Sub-Working meeting for Forensics Medicine between the two delegations. While on October 22, 2015, it was signed Agreement of Cooperation between the Government Commission of the Republic of Kosovo on Missing Persons and the Commission of Montenegro on Missing Persons, in the framework of cooperation and joint efforts to elucidate the fate of missing persons during the wars in former Yugoslavia.

During this year, representatives of the Government Commission on Missing Persons, together with representatives of family associations, have participated in session of United Nations Human Rights Council, held in September, in Geneva, where the Chairman of the Commission held a speech. Also, during the official visit carried out in March in the Republic of Croatia with the purpose of intensifying the cooperation between Kosovo and Croatia on the issue of missing persons, the representatives of the Government Commission on Missing Persons together with representatives of family associations have participated in the Second Conference on International War Crimes.

Even during this year, the Government Commission on Missing Persons, in cooperation with representatives of the families of missing persons and with support of highest state leaders, have organized a series of activities to mark the April 27- Day of Missing Persons in Kosovo and 30 August- International Day of the Disappeared, where during this year it has been organized for the first time the 'Missing Persons Week', as well as a special session dedicated to the issue of missing persons, organized exactly on 27 April, took place.

Currently, referring to official data published by the Government Commission on Missing Persons, on December 24, 2015, 1668 persons have been recorded as disappeared as a result of 1998-'99 war in Kosovo.

**The field which aims to support Communities**, the Government, in cooperation with the Norwegian Embassy in Kosovo, has prepared the project on "internship programme", where a total of 605 applications have been received and candidates are being interviewed. The government has also started the initiative of a thank you letter to the mayors who support the work of our office for a better future of non-majority communities in Kosovo. Events for celebration of the Bosnian, Turkish, Goran and RAE communities' days have been organized and the government has allocated grants for the organization of the festival for these communities through NGOs of these communities. The government has supported the project "Support to the newly established municipalities in Northern Kosovo through the development of education, culture and youth" in the amount of EUR 88,000.

The government has continued to implement the agreement with Serbia while completing job application procedures in public institutions of Republic of Kosovo for members of non-majority communities that have diplomas issued by the University of North Mitrovica. Also the cooperation with AUK is in process, where the government is funding the students of non-majority communities and this year is appointed the new director of the Office of Community Affairs.

**In the framework of the implementation of the Law on the Use of Official Languages**, the concept strategy has been developed for the promotion and protection of language rights and the action plan of this strategy.

**With regard of publication in the Official Gazette (website):** 40 numbers of the Official Gazette are printed in book form, 1 Constitutional Amendment, 40 laws, 3 Tables of the Law on Budget, 1 Notification on Law correction, 6 International Agreements ratified by laws, 32 international agreements ratified by decree of the President, 4 Administrative Instructions (GRK), 13 Regulations (GRK), 110 Decisions, Regulations, Administrative Instructions and other acts of ministries, 40 government decisions for expropriations with accompanying table, 138 decisions, rulings, judgments and regulations of other acts of the Constitutional Court, 295 decisions, rulings, notices and other acts of Basic Courts of Kosovo, 134 Decisions, Regulations, Administrative Instructions and other acts of Municipalities, 18 Decisions and Guidelines of other independent institutions. In this reporting period, a total of 835 normative acts have been

published. Bylaws have been reduced, edited and translated into appropriate languages, namely have been published in 5 languages (English, Albanian, Serbian, Turkish and Bosnian).

**In the field of gender equality,** 'Special temporary measure' will be as an exceptional measure for the registration of immovable joint property in the name of both spouses, and has one year implementation period from the entry into force and is intended to guarantee the gender equal rights and promote gender equality in specific fields of social life as property, as well as stimulate the registration of joint real estate on the names of both spouses in public registers. 7 projects have been partially subsidized which aim general awareness-raising of citizens on gender equality, women's economic empowerment and promotion of the development of rural tourism, and agriculture, in the amount of €30,000.

In cooperation with the European Institute for Gender Equality (EIGE) in Lithuania, supported by ECOs in Kosovo, the government has organized a two day workshop on 04 and 05 June, with the topic "*Gender Index as a tool for gender mainstreaming in public policy*". Experts from EIGE presented "Index of gender equality in the EU" to 50 representatives of institutions, techniques and instruments to be used for compiling the drafting of index for our country too. The amended Law on Gender Equality has been presented in five regions of Kosovo, as Pristina, Mitrovica, Prizren, Gjilan and Peja. Also, AGE held a roundtable discussion where the new law was promoted; on this occasion, AGE has organized a promotional campaign, where the law and 1000 flyers with appropriate explanations for new LGE Articles on sanctions - fines, gender budgeting, application techniques, have been published. 10 billboards have been placed in the capital city with promotional message of the applicable Law. The first Monitoring Report of the Implementation Progress of the Action Plan for the Implementation of Resolution 1325 on "Women, Peace and Security" has been published. The 25 November, International Day for the Elimination of Violence against Women (16 Days of Activism) has been marked through the awareness-raising campaign, roundtable discussion, and promotional material and placing of 10 billboards in cities with the motto "How much worth the life of your woman, mother, daughter, sister". A promotional clip has been recorded and broadcasted for all stakeholders providing services for domestic violence cases, and free telephone lines. During this campaign, in collaboration with UN Women, AGE has enlightened the building in orange, following thus the practice of world capitals to deliver the message of combating violence against women and girls.

**Working Group for Confrontation with the Past and Reconciliation (WG CPR)** has finalized the list of issues to be examined by each sub-group in developing the strategy, which is used as the main reference to the substantive issues, has developed a communication plan, has compiled mapping in the field of transitional justice and has identified strategic and sub-strategic objectives for four (4) TJ areas: the right to be informed, the right for justice, the right for reparations and fields for guarantees of non-recurrence.

**Radiation Protection and Nuclear Safety,** the respective agency has drafted five drafts of regulations which are related to the implementation of recommendations deriving from the

Stabilisation and Association Agreement (SAA), where provisions contained therein oblige the Agency to technically bring its legal framework in compliance with EU and also ensure its implementation. Strategic documents as "Strategy for Radiation Protection and Nuclear Safety" and "Action Plan for Implementation of the Strategy" have been drafted and submitted for assessment at the Office for Strategic Planning within OPM.

The Agency has completed the inventory of radioactive sources (not including X-rays) in the entire territory of Kosovo. During this year, inventory has been updated through 79 inspections in the field for equipment's that generate ionizing radiation, equipment that generate non-ionizing radiation, radioactive waste (landfill) and radioactive lightning rod.

**In the field of archives in Kosovo**, 487 visits have been conducted with the aim of providing guidance and recommendations on official management, as well regulation and classification of archive material at fund creators. 359m archive materials have been collated and processed. 804 sheets have been cleaned, disinfected, restored and conserved, 379 books and 105 registers of archive funds have been connected, 34 900 binders have been prepared. 10,739 digitized documents (Vienna Fund and Registry Deftor of Prizren/year H.1847-M.1264) have been indexed, 1.883 names have been digitized in the database, 13.620 documents have been scanned and around 2,363 parties have been served. Registry material is received from different fund creators, both institutional and private: the documentation of Kosovo Association of the Blind (1949-1992), reports, maps and Bulgarian military agreement from conducted research (last year) in Velika Tarnova Military Archives (1913-1944), 115 documents on Mehmet Pashe Deralla military activity (1896-1898), documentation of former Pristina Municipal Court (1960, 1965-1985), documentation of Municipal Directorate of Urbanism in Gjilan, documents with photos of Humanitarian and Cultural Associations in Gjilan (1990-2012), Pre-school institution Fund "Ardhmëria I" (Gjilan), documentation of the Municipal Financing Council in Gjilan (1994-1996), the documentation of the Secretariat of Internal Affairs in Prizren (1945-1999) submitted by the Regional Police Directorate - Prizren, many photos (Ali Podrima, then close to 200 photos on CD of the years 1932-1952 with trace of the history of the Albanian national education from Elbasan, Shkodra and Gjakova), from researches conducted in Albanian National Archive, 3486 documents have been brought. Documents gathered from meetings with compatriots and numerous associations acting in different places (during the 90s) have been handed over, joint project with the Ministry of Diaspora. From the State Archive of the Republic of Macedonia are received two funds: the Waqf Directorate (1921-1941, 19 archive boxes) and the Assembly of SRM for Kosovo (1968-1988, 29 archive boxes) carried 12 CD. Also, private funds have been received from Prof. Dr. Fehmi Pushkolli, Prof. Ismet Dërmaku, Prof. Emin Kabashi etc., approximately 230m of registry material.

Archival researches have been carried in Croatian State Archives and in two funds: the Central Prison of Goli otok and Prison of Stara Gradishta (registers of Albanian prisoners) and the Historical Archives of Kotor, where archive materials from Cen. XIV-XVIII have been researched. With regard to the scientific and publishing activities, the scientific-professional journal from Archives and History - *Vjetari* Nr. 51/2015, *Bibliografia e revistës Vjetari (1965-2015)*

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and the book "*Drenica e Epërme dhe Ushtria Çlirimtare e Kosovës*" has been published. Also, two exhibitions "*26 Vjetori i Demonstratave për Mbrotjtje të Kushtetutës së Kosovës në Gjilan*" and "*Prishtina në fotografit e shek.XX*" have been organized.

Regarding cooperation, various visits have been conducted to the State Archives of Macedonia and Montenegro, where a Cooperation Agreement is expected to be signed; the extend of the Protocol of Cooperation with the Directorate of Waqf within the Office of the Prime Minister of Turkey and cooperation with the Albanian National Archive has been signed. Also, negotiations with Bulgarian State Archives have been held with regard to extending the Cooperation Agreement, which is expected to be signed in the beginning of the next year, as Korça Archives have been visited and a meeting took place with the Turkish Agency TIKKA.

In the field of **Kosovo Statistics**, the following have been realized: the drafting of annual report 2014 according to Law on Official Statistics, thus measuring performance on implementation of the work plan, and this report has been approved by the Government of the Republic of Kosovo; also, according to the legal provisions of the Law on Official Statistics, KAS has drafted the Work Plan for 2016, which was approved by the Government of Kosovo; the part of the National Plan for the Implementation of SAA related to statistics has been prepared; drafting of the road map 2016; the implementation of 5 years Programme of Official Statistics 2013-2017 continued through annual operational plan according to the foreseen dynamic; as well as we continued with the implementation of the Regulation on the Reorganization of KAS. Two analytical reports from ISKP system on the performance of KSA, one in January-October 2015 and the other in January-December 2015, with the purpose of basing decision-making on data. Draft law on population and agriculture census in the 4 northern municipalities of the Republic of Kosovo which did not participate in the population census 2011 has been prepared. Necessary changes have been made to amend and supplement the Law on Official statistics, and AI/no. 08/2012 has been amended and supplemented according to the requirements of OAG. Draft laws and AI have already been sent to the Office of the Prime Minister office for further processing

Sectorial statistics - statistical reports have been published according to the calendar provided at the beginning of the year. Published statistical data (publications) cover socio-economic area, agriculture, health, education, culture, etc. During the reporting period, there were 70 statistical publications in the area of economic statistics, 20 publications in the field of social statistics and population, 13 publications in the field of agricultural statistics and environment and general publications as Statistical Yearbook 2015, Kosovo in Figures, etc. Find attached in the Annex I the list of publications during the period from 1 January to 31 December 2015.

*Agriculture Census 2014* - Preliminary and final results of agriculture census 2014 have been published. The final results contain "Key Data" and "Quality Report" whereas by the end of 2015, "special (thematic) publications" on orchards, vineyards and fields of crops, as well as "final report" on the project of the agricultural census have been prepared as final draft. *Multiple*

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*Indicator Cluster Surveys (MICS) 2013/2014* - the published data have two dimensions: data published "at national level" and data on "RAE community".

**Economic statistics:** Annual publications: Government Accounts 2014, Gross Domestic Product by Expenditure and Production Approach for 2014, Foreign Trade Statistics 2014, Consumer Price Index 2014, the Results of Structural Survey of Enterprises 2014.

Quarterly publications: Import Price Index Q4-2014 up to Q2-2015, Production Price Index Q4-2014 up to Q3-2015, Construction Cost Index Q4-2014 up to Q3-2015, Hotel Statistics Q4-2014 up to Q3-2015, Retail Trade Statistics Q4-2014 up to Q3-2015, Industry Statistics Q4-2014 up to Q3-2015, Energy Balance in Kosovo Q4-2014 up to Q3-2015, Repertoire of Enterprises in Kosovo Q4-2014 up to Q3-2015, Transportation Statistics Q4-2014 up to Q3-2015 and Gross Product in two approaches Q3-2014 Q3-2015.

Publications on monthly basis: the Consumer Price Index for the period from December 2014 to November 2015, Foreign Trade Statistics for the period from December 2014 to November 2015.

**Social and population statistics:** Results of the Labour Force Survey, 2014, Results of the I Household Budget survey, 2014, Education statistics 2014/2015, Statistics of Jurisprudence for Adult Persons 2014, Statistics of Jurisprudence for Juveniles 2014, Health Statistics 2014, Statistics of Culture, 2014, Social Welfare Statistics 2014, birth statistics, 2014; Statistics of deaths, 2014; statistics on causes of death, 2012/2013; women and men, 2012/2013 (every two years); Statistics of Marriages, 2014; Statistics for divorces, 2014; Population estimates, 2014. Quarterly reports: Social welfare statistics for Q1, Q2 and Q3/2015. Publication of education statistics according to levels of education for the educational year 2014/2015; publication of education statistics 2014/2015, and implementation of pilot survey of SILCU.

**Statistics of agriculture and environment:** Quarterly output price index and prices in agriculture, Q4-2014; Quarterly of input price index and prices in agriculture, Q4-2014; Annual output price index and prices in agriculture, 2010 - 2014, (2005 = 100); Annual input prices index and prices in agriculture, 2010 - 2014, (2005 = 100); Quarterly output prices index and prices in agriculture, Q1-2015; Quarterly input prices index and prices in agriculture, Q1-2015; Quarterly input prices index and prices in agriculture, Q2-2015; Quarterly input prices index and prices in agriculture, Q2-2015; Quarterly output prices index and prices in agriculture, Q3-2015; Quarterly input prices index and prices in agriculture, Q3-2015; Industrial Waste Survey 2014; Municipal Waste Survey 2014; "Some facts on the environment" 2015; In the field of methodology and IT, the following activities have been carried out: the Project for Statistical Documentation of the Products in the Metadata system of ESMS was launched in cooperation with Statistics of Sweden. With this system, we have worked in 11 statistical products (from economic statistics and national accounts).

Within the twinning project to support Kosovo's statistical system, we have worked in and achieved good results in improving the statistical system, with an emphasis on quality on statistics, national accounts, business statistics, dissemination and information technology.

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Regarding the IT infrastructure, significant progress has been achieved in many areas. All production servers are virtualized, including ASKData, eDAMIS and the UN platform for distribution of data DevInfo.

Documentation for the IT system has been created. This documentation for KAS, as an organization with limited funds and support, is a special asset. The documentation is being updated with any change to the IT system.

In the field of distribution – dissemination, in cooperation with Statistics of Denmark, we have worked on drafting the strategy and policy of dissemination. The online platform for the dissemination of data ASKData has been launched with the support of the twinning project with the Danish statistics. KAS intends to disseminate all data through this platform by 2017. The strategy and distribution (dissemination) policy has already been created and now is online at the web site of KAS.

Geographic Information System (GIS) has updated enumeration areas for northern municipalities and has continuously created thematic maps for various statistical topics, in particular for the results of agricultural census.

Team Foundation Server (TFS) has been installed to keep the source code in a good control system. The software development team has been trained by the experts of SIDA on how to use it and it has been configured. The software for Agricultural Household Survey 2015 has been developed for the first time based on TFS.

TFS installation in ASK facilitated the programming, because various project experts may work together more efficiently. Team members can share project plans, work products, and assessments of progress. Also, the source code is backed up using TFS.

Work to create a detailed security policy has already begun in ASK. Regarding backup, after it has been installed and configured Data Protection Manager (DPM), most of the files and databases have been backed up. Work still need to be done for long-term backup and return in the case of an accident.

Further development of SIPK system is made in accordance with the requirements of the management of KAS. A new program for PPI was developed and is being used by price sector. Also new IMPI software has been developed and is in the testing phase.

**In the area of food safety and veterinary**, the following bylaws have been drafted and prepared during this year: GRK Regulation no. 03/2015 on laying down minimum standards for the protection of pigs; GRK Regulation no. 05/2015 on amending and supplementing the Regulation no. 17/2012 on laying down payment rate for the services of the official control of the FVA; GRK Regulation no. 10/2015 on health conditions for aquaculture animals, their products and the prevention and control of diseases of acoustic animals; Administrative Instruction MAFRD no. 05/2015 on amending and supplementing the Administrative Instruction MAFRD no. 15/2014 for placing living animals in quarantine; Administrative

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Instruction MAFRD no. 06/2015 on amending and supplementing of the Administrative Instruction MAFRD no. 12/2012 on animal identification and registration.

**In the field of Public Health**, Government has approved food business operators of animal origin: 6 dairies; 2 cattle slaughters; 8 meat processing factories, 2 cooling warehouses, 6 other facilities, registration of FBO of non-animal origin (22 factories for processing and collection of fruits and vegetables, 2 factories for processing of preservatives, 7 factories of wine and beer, 11 bakeries and pastries, 12 factories for repackaging, 4 factories for spice processing, 6 factories of water and juices.

Within the Programme for vaccination of domestic animals, vaccinations have been carried out against these diseases: 23,700 dogs have been vaccinated against rabies, 1,979 cattle and 893 sheep and goats have been vaccinated against anthrax, 19,896 pigs have been vaccinated against classical swine fever, 67,724 sheep and goats have been vaccinated against Brucellosis and 2 million chickens have been vaccinated against Atypical Plague. In the context of the eradication of the disease of Hemorrhagic Fever, 61,669 cattle and 41,523 sheep and goats have been repelled. In the context of animal testing, 17,724 cattle have been tested for tuberculosis and 16,843 cattle to mastitis. As a result of the contagious diseases, the following animals have been killed: 50 cattle suffering from *Brucella abortus*, 493 sheep and 166 goats suffering from *Brucella melitensis* and 393 bee families suffering from the American Pesta. During this year have been tagged: 77,859 cattle, 86,217 sheep, 10,527 goats and 21,057 pigs, reported movement: 18,418 cattle, 21,394 sheep, 3,449 goats and 20,194 pigs.

**During the reporting period were inspected:**

**Internal Phytosanitary Inspectorate** - has conducted 2.991 inspections, has issued 55 phyto-certificates for internal circulation, 3.945 phyto-certificates for export, 40 decisions, 81 summonses and has taken 1.740 samples.

**Border Phytosanitary Inspectorate** - has conducted 38.556 inspections, has rejected 19 loads, has sealed 371 loads and has taken 1154 samples.

**Internal Veterinary Inspectorate** - has conducted 1244 inspections, has issued 1150 certificates for internal transport, has inspected 3926 slaughters, issued 70 decisions and took 995 samples, 262 cattle, 8 horses, 20 bee families, 255 sheep and has confiscated 1397 chickens.

**Border Veterinary Sector** - has inspected 11822 subjects, 13146 animals have been imported for slaughter, has rejected 3 loads, and has taken 423 samples for analysis.

**Sanitary Inspectorate** - has conducted 2645 inspections, has issued 8 decisions, 215 summonses, 75 sanitary approvals, reviewed 124 complaints of consumers and has taken 237 samples and 720 smears. 542.677 kg and 1.356.819 litres of juices have been destroyed because of expiration and lacking of adequate documentation.



**Activities in Food and Veterinary Laboratory:** During this year, FVL laboratories have received this number of samples: Pathology and EU DCE project received 528 samples and conducted 528 tests; Bacteriology and Parasitology received 229 samples and conducted 229 tests, Serology and KAHL project received 11518 samples and conducted 12000 tests, milk analysis received 17548 samples which were analyzed in 3 parameters with number of analyzes of 50000, Food Chemistry and Veterinary Residues received 624 samples and conducted 2885 tests in various parameters; Food Microbiology received 422 samples that were analyzed on various parameters and the number of the tests conducted was 1600.

In the context of completing the legal framework, from a total of 27 draft laws of the **Ministry of Finance**, including draft laws on ratification of international agreements, 17 draft laws have been approved by the Government of the Republic of Kosovo and forwarded for approval to the Assembly. From these, nine (9) laws have been decreed and published while 11 (eleven) are being reviewed by parliamentary committees. It also sponsored 5 Administrative Instructions that were adopted by the Government of the Republic of Kosovo, while Minister of Finance has approved three (3) Administrative Instructions and 1 (one) Regulation.

**Kosovo Customs** – Besides revenue collection, Customs have also take care to meet its role in creating incentives for businesses by amending Administrative Instructions and current infrastructure: the Administrative Instruction (AI) for transport expenses, the Decision for excise tax on games of chance, Decision on excise tax on petroleum-natural gas, Decision on excise tax on fireworks, Decision on excise tax on cigarettes.

For this reporting period, the **Tax Administration of Kosovo** has provided fiscal cash registers for a total of 22.360 businesses, while reimbursement of funds from the Fiscal coupons has reached a total of EUR 737, 750, where a total of 45.355 citizens benefited.

After entering into force of the new fiscal package, a total of 152 applications have been approved in which case businesses are exempt from VAT when importing raw material used in the production process.

Also, 163 companies realized the right to import the production machinery, the raw material used for the production process and information technology equipment.

Regarding the securities market, 21 auctions have been held for selling securities. Out of them, 14 auctions were for refinancing maturities and 7 auctions were to emit new instruments.

During this year, bonds with maturities of 3 and 5 years have been successfully issued. In terms of investors, this year the base is further expanded, adding investors like insurance companies and the Central Bank.

In order to increase efficiency in reporting the expenditure of public funds, a number of actions have been taken for the efficient management and increasing of infrastructure of information systems of public finance management.

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The government signed 8 financial agreements with IFI to finance the projects, with a total of about EUR 175 million, dominated by investment in transport infrastructure and energy efficiency, with 111 and 30 million, respectively.

Also, we have negotiated a guarantee agreement for a public company, which amounts to EUR 10 million.

The budget of the Republic of Kosovo for 2016 was approved in the Assembly of Kosovo within the legal time limit. The budget is fully in line with Government objectives for sustainable economic growth and fiscal sustainability.

The budget manages to finance priority requirements of each budget organization and at the same time preserves budgetary stability that is a prerequisite for sustainable economic growth. The regular budget revenues for 2016 are scheduled to extent of 1 billion and 598 million, budget which represents an increase of 4.1% compared with the revised budget for 2015 and an increase of approximately 19% to the budget realized in 2014.

Basic expenses in the amount of 1 billion and 674 million EUR are foreseen for 2016 (excluding 'costs by designated donor grants').

The budget for 2016 is fully harmonized with the International Monetary Fund. The government has approved the Medium-Term Expenditure Framework 2016-2018, which was communicated to the Assembly of Republic of Kosovo.

Regarding the effective and transparent management of the public finance, monthly reports of the status of capital projects and daily reports on the state of revenues, expenses and bank balance have been prepared. As part of the actions taken to improve the management of public finances, a monthly report on the Performance of Revenue and Expenditure Budget has been prepared.

In the field of Economic Policies, the Government for the first time has been invited by the European Commission as a pre-accessing candidate country to the EU and submitted the Program for Economics Reforms. This program primarily represents macro-fiscal framework and challenges which is facing Kosovo to raise the competitiveness of the country.

The government entered into negotiations with the IMF and consequently signed a Stand-by program for 22 months and all structural and quantitative criteria set by SBA program have been successfully fulfilled within deadline by the Ministry of Finance. As a result, financial support was disbursed in the amount of EUR 35 million in July of this year and 35 million in December of this year.

During this period, we managed to sign the following cooperation agreements:

Rehabilitation of the Railway Route 10 with the EBRD in the amount of EUR 39.9 million; Rehabilitation of the Railway Route 10 with EIB in the amount of EUR 42 million; Financial Cooperation with the German Federal Government for 2014 for the grant and loan (the grant is ratified while the loan); Economic Cooperation with United Arab Emirates (forwarded for ratification); programme with the Austrian Government for soft loans for the Project "Modernization of Invasive Cardiology Service at the University Clinical Centre of Kosovo" (forwarded for ratification); two agreements with KfW in the project "Improvement of

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The Stabilization and Association Agreement has been signed with the EU. The same has been ratified in the Assembly of Kosovo in November 2015. We also worked in preparations for the implementation of the agreement, where the Implementation Plan 2016-2020 has been drafted.

The negotiation of services in CEFTA - Kosovo prepared negotiating position on services, where during this year 5 rounds of negotiations have been completed from a total of 6 rounds. Business and professional services have been negotiated during the first and second round; in the third round have been services of tourism, environment and recreation; in the fourth round services of the communication and construction; in the fifth round services of distribution, education and health. The sixth round of negotiations is expected to be completed in March 2016 where financial services, transport and audiovisual services will be negotiated.

We participated in the meetings of the specialized agencies of quality infrastructure.

**Trade relations with Albania** - We organized meetings with the senior leaders of the state and relevant government ministers of Albania to address trade barriers, where a number of cases of various trade barriers faced by businesses from Kosovo were raised, such as:

- Inability to export eggs in Albania market- This issue is now resolved and the first results of the export remain to be seen.
- Inability to export pharmaceutical products due to non-registration of products in Medicine Agency of Albania - Assembly of Albania has already amended the Law on pharmaceutical products which was previously presented as the main barrier and this will enable Kosovo companies to register pharmaceutical products in Medicine Agency of Albania and to export and have full access to the Albanian market.
- The application of reference prices on some products from Kosovo - Albania has ensured that will eliminate the application of such barrier and we have no indications that they are applied again.
- The issue of tachographs which was an early barrier to transporters from Kosovo - Regarding this issue, relevant ministries/agencies of the two countries have agreed on the text of the agreement and are only waiting for its signing, which will completely eliminate this barrier for transporters from Kosovo.

**Functionality of Free Economic Zones** - A number of actions have been taken to assist municipalities in the functioning of economic zones in different regions of Kosovo, as follows: Finalization of works on the Business Park in Drenas; In Business Incubator in Drenas, announcement of the vacancy for premises (offices) that will be provided for new businesses, a restaurant and a financial institution; during 2015, EUR 200.000,00 have been allocated for the **Economic Zone in Mitrovica** to invest in levelling the ground in this area and it was invested in two stages (the third stage and fourth stage); **Economic Zone - Shtime**, in the first half of the year, MTI has allocated EUR 100,000.00 for infrastructure building, which was completed in the first half of the year, while in the second half of the year, MTI has allocated another EUR 150,000.00, whereby works are being carried out in the construction of infrastructure; **Economic Zone - Suhareka, Agro Industrial Zone in Samadraxha** was established during this year and MTI allocated EUR 110,000.00 for the construction of infrastructure, whereby works are being

carried out in the construction of infrastructure; **Business Incubator in the municipality of Istog**, the Government has allocated EUR 70,000.00 to municipality of Istog to support the construction, namely the renovation of a centre dedicated to the Business Incubator.

**Eliminating Barriers and Reducing Bureaucracy-** In the context of trade policy, we worked in eliminating trade barriers. During this year, we organized meetings of 4 sub-working groups: sub-working group on agriculture, industry, services and trade facilitation.

For the purpose of eliminating administrative and legal barriers for service providers, we worked on the Law for services; the Government has approved the concept paper for the services, and the law is expected to be finalized in 2016. Also, electronic web platform "Report Barriers" has been developed and is functional. Electronic platform enables Kosovo businesses easier address of trade barriers in export, import or transit of their goods.

In the context of the new fiscal package, MTI has assisted the Ministry of Finance in the process of fiscal reform (entered into force from September 1, 2015) and customs facilitations to encourage domestic production. Business Registration Agency reduced and eliminated most taxes and fees for services provided by the state institution.

KBRA has worked with TAK and Customs for full functionality of the integrated system for business registration. Solutions have been provided in order to continue and further improve registration service and providing fiscal numbers for businesses and VAT certificate and number of Export-Import. In the meantime, we have reviewed and analysed the current system of registration system in order to unify the registration in a single ID. The report was prepared and analysis, proposed dynamic plan and recommendations are in the final stage.

**Support for Small and Medium-Sized Enterprises -** In order to facilitate access to finance for SMEs, the Draft Law for the Establishment of the Kosovo Fund for Credit Guarantee (which is in the second review at the Assembly) has been prepared, financial grants have been distributed from the common fund with the EU, in the total amount of € 4 million. From this project, 20 micro enterprises have benefited financial assistance up to € 25.000 and 16 small and medium-sized enterprises have benefited the amount up to € 200.000.

Within the **National Council for Economic Development of Kosovo (NCED)**, which is re-functionalized, MTI, in collaboration with OPM, has held four meetings so far, where a number of important decisions have been taken and many requirements of businesses regarding elimination of barriers and improvement of climate for doing business have been addressed.

Also, we prioritized the implementation of the European Act for Small Business, and to this end, a special working subgroup has been established within the National Council for Economic Development, which deals only with the full implementation of the European Act for Small Business; increased intensity of providing counselling services to SMEs through "Voucher Scheme". 154 enterprises have benefited from these services. This scheme offers subsidized counselling in the amount of 80% of the total value of counselling; within the "Business Internship 2015" Programme, we selected 150 students who started their practice in various enterprises in Kosovo. This will help students in finding employment opportunities and the creation of the first working experiences; with the aim of empowering Women

Entrepreneurship, MTI supported the fair “Women in Business 2015” held in Prishtina, attended by over 60 companies led by women; MTI has worked closely with SMEs, deepening mutual dialogue with them; MTI has informed businesses about reforms in order to improve conditions for the development and growth of SMEs undertaken by the Government of Kosovo. Within the Days of Small Business, there were nine informing conferences with business (SMEs) in 7 regions of Kosovo, as well as the national level, where specific issues dealing with the development of the private sector, services provided by the Government and donors, both nationally and locally, as well as donor projects for private sector development, have been discussed. Barriers presented from businesses are addressed through relevant working groups, and they were addressed at the level of NCED, when necessary. Within these conferences, it is realized competition ‘Top most competitive SME’, accompanied with the awards ceremonies for enterprises from 7 regions of Kosovo.

**Promotion of Investments** - During 2015, we worked in creating a more favourable environment for business development and investment in Kosovo, creating favourable economic policies and working to eliminate barriers that hinder climate of doing business in Kosovo.

During this year, 428 foreign-owned businesses have been registered, where compared to last year this number was only 278. There was also an increase in registration of domestic companies. While businesses have marked of lower trend compared to the past three years.

According to data from CBK, Foreign Direct Investments in the period January-October 2015 included EUR 270 million, which represents a significant increase compared to the last 3 years from 2012 to 2014.

In order to find new markets for Kosovo companies, MTI, in cooperation with donors, has supported and implemented participation of various enterprises in international fairs (as in: London, Berlin, Cologne, Izmir, etc.). MTI has supported Kosovo companies’ exposure in domestic fairs (fairs and promotional activities organized by the Chamber of Commerce and Kosovo Business Alliance).<sup>16</sup>

Drafting Practical Guidelines regarding Quality Infrastructure and its pillars and sectors covered by MTI.

Various visits have been organized with business networks in Diaspora, as in Vienna, Zurich, Dusseldorf, Cologne and other places to assure our compatriots that MTI will always be opened for them and will have an advocating role for all businesses, by facilitating the process of investments and business development in Kosovo.

In order to promote the opportunities that the country offers for investments, KIESA participated in six (6) conferences, three (3) forums, one (1) study tour and one (1) workshop-fair.

The brochures and promotional material were updated and sent to Germany, Bulgaria, Italy, Slovenia, Austria, Switzerland, UAE, UK, the Netherlands and America.

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<sup>16</sup> Activity 1.4.1.3 and 1.4.1.7

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Services were provided for 62 foreign companies interested about investment potentials. 13 foreign companies – potential investors were provided with direct assistance starting from business registration and other procedures.<sup>17</sup>

Negotiations were held for the signing of agreements on protection and promotion of investments with Slovenia, Albania, Canada and Bulgaria.

**Development of Tourism** - Regarding the Project for the Development of Brezovica Resort, concerning of the contract with the consortium MDP Consulting – Compagnie des Alpes, the Government has so far fulfilled all of its contractual obligations for the transitional period.

Publication of the promotional brochure “Kosovo from Air” is in the process of the finalization, which is the MTI project funded by donors.

Development Plan for the Tourism Sector and Action Plan (Tourism Strategy) have been finalized, which will be part of the Strategy for the Development of the Private Sector from 2016 to 2020, of the MTI.

The study for assessing the tourism potential - for the southern region has been conducted, drafted with the assistance of UNDP.

**Improvement of Legal Infrastructure** - Law no. 05/L-039 on amending and supplementing the Law no. 04/L-029 on Patents and the Law on amending and supplementing the Law no. 04/L-026 on Trademarks, adopted by the Assembly.

The Draft Law on the establishment of Kosovo credit guarantee fund, the Draft Law on industrial design and Draft Law on geographical indications and designations are in second reading in Assembly. Whereas, the Draft Law on strategic investments in the Republic of Kosovo and the Draft Law on bankruptcy, have been approved by the Government.

**Signed bylaws** - Administrative Instruction no. 01/2015 on the form and content of the register of foreign investment, signed on 04.03.2015;

2. Administrative Instruction no. 02/2015 for verification period of legal measuring instruments, application manner and re-calibration periods for the etalons used for verification of legal measuring instruments, signed on 01.07.2015;

3. Administrative Instruction no. 03/2015 for determining the fees for services provided by the Business Registration Agency, signed on 21.07.2015;

4. Administrative Instruction no. 04/2015 on amending and supplementing the Administrative Instruction no. 02/2013 on procedure and testing method of the measuring instrument type approval, signed on 28.08.2015.

5. Regulation no. 01/2015 for the work of the National Council for Economic Development of Kosovo, signed on 04.06.2015.

The concept paper has been approved for the trade in services.

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<sup>17</sup> Activity 1.4.2.3

**Internal Market Regulation and Quality Infrastructure** - Regarding the oil market, all fuel selling points in the country have been registered with GPS. Very high results have been achieved in the formalization of fuel selling points: Number of licensed selling points increased in 522. Also, the number of calibrated points is 522. There are only 30 points not licensed due to incomplete documentation and property disputes.

MTI, through the Market Inspectorate, has conducted continuous inspections for controlling the quality of petroleum. Currently, Market Inspectorate exercises this task through authorized bodies and accredited laboratories and MTI is working on increasing the number of quality controls of oil and its products. The exceptional controls have increased significantly, from 7 controls to 47 controls.

Taking into account the best practices of the region, we have bought laboratory equipment that will enable the Market Inspectorate to make ad-hoc visits in the internal market (through individual points of petroleum products) and measure the main parameters (and their correlation values) for measuring the quality of oil and gasoline as the two best selling products in this category.

- MTI, through Metrology Agency, has conducted verification of over 522 fuel selling points, namely has verified more than 4443 fuel handles.
- There have been withdrawn from the market, destroyed 215 pieces of equipment: portable lamb unsafe for children due to failure to meet the basic safety requirements.
- Decisions on confiscation of goods: 22
- Review of Consumers Complaints: 85

**Metrology Agency** has intensified the exercise of legal control of legal measuring tools in public circulation. There was increase of metrological services, namely increase of the number of verifications/calibration of all measuring instruments for metrology fields such as: mass, volume and leakage, temperature and humidity, control of the quality on processing precious metals.

**Kosovo Accreditation Directorate (KAD)** has increased the number of accredited Conformity Assessment Bodies. So far have been completed: 22 regular overseeing (18 Testing Laboratories and 4 Inspecting bodies); 10 Evaluations (8 Testing Laboratories and 2 Inspecting Bodies); 13 Accreditations (11 TL and 2 IB), (9 initial accreditations, 3 reaccreditations, a field expansion, 3 laboratories of the Forensic Agency); 13 Applications for accreditation (12 TL and 1 IB). 1 accreditation suspension.

**Industrial Property Agency** has held the first visit to geographical indications and designations of origin for representatives of institutions responsible for this system; reports have been made to the MEI and the European Commission on the progress achieved in the IPA and for all required reports; a meeting of the State Council for Intellectual Property with all members of this Council has been held; Regular meetings of Anti-Piracy and Counterfeit Task Force have been held; It has been worked in the online register of the Industrial Property objects; IPAS has been installed in new server, separate and specific to the Industrial Property Agency. This has resulted in IPAS to be faster and more secure. Industrial Property Agency has continued its activity in the acceptance and registration of applications for industrial property objects:

trademarks, patents, industrial designs, rejections of published brands, investigations of trademarks, patents, premature examinations, extensions, changes, requests for remaining in force, documents of advantage, change of representative, general authorizations, authorizations for the respective cases, complaints to the complaints committee, the complaints committee decisions and additional documents.

**The Ministry of Economic Development** - is committed to create a favourable legal and regulatory environment, as well as drafting strategic documents for continuous improvement of service quality.

Within the **Energy Sector**, the draft of the Energy Strategy of the Republic of Kosovo 2015-2024 has been finalized; *draft* of the programme for implementation of the Energy Strategy of the Republic of Kosovo 2015-2017; *nine (9) Municipal Plans for Energy Efficiency 2015-2020 have been drafted*; The following have been approved: (a) the Energy balance of the Republic of Kosovo for the year 2016 (projections), (b) Annual Energy Balance of the Republic of Kosovo for the year 2016 (projections), and (c) Annual Energy Balance of the Republic of Kosovo for the year 2014. In order to support the energy efficiency sector, we have finalized the study on the establishment of a fund for energy efficiency, with the aim of reducing energy consumption by applying saving measures.

**Mining Sector** - MED approved the Progress Report for 2014 regarding the Mining Strategy Implementation Programme 2015 2012-2014; the Mining Strategy Implementation Programme 2015-2017 has been drafted; Mineral Resources Management Plan (MRMP) for 2015 has been approved and has commenced the drafting of the Mineral Resources Management Plan (MRMP) for 2016.

**ICT sector** - The draft of Kosovo Strategy on Information Technology has been finalized. In order to support the Information Technology sector, the study regarding the creation of a fund for the Information Technology sector has been finalized in order to create a more favourable environment for development and investment in this sector.

Approval and implementation of the legal framework - Draft Law on Energy and the Draft Law on the Energy Regulator have been approved by the Government and are partly in accordance with the Directive 2009/72/EC. The Draft Law on Natural Gas has been approved by the Government and is in compliance with the Directive no. 2009/73/EC concerning common rules for the internal market in natural gas and Regulation No. 715/2009/EC on conditions for access to the natural gas transmission networks. The draft law was approved on the first reading by the Assembly of the Republic of Kosovo.

The Draft Law on Thermal Energy has been approved by the Assembly of the Republic of Kosovo. This law is partly in compliance with Directive no. 2009/28/EC on the promotion of the use of energy from renewable sources.

**Mining sector** - Regulation No. 01/2015 on the unique information system on mineral resources. The Ministry of Economic Development is also committed to implement the Mining Strategy Implementation Programme, create a favourable legal environment, promote sustainable use and enrich mineral resources based on international standards.



**ICT sector** - Law no. 05/L-027 on digitalization of terrestrial broadcasting transmissions, as well as the Administrative Instruction (MED) No. 01/2015 on the rules for exercise of control of postal operators have been approved by the Assembly of Kosovo. Administrative Instruction (MED) No. 02/2015 on amending and supplementing the Administrative Instruction No.04/2012 on Postal Stamps has been approved.

**Public Enterprise Sector** - Law No. 05/009 on amending and supplementing the Law No.03/L-087 on public enterprises, the Law on ratification of the bilateral agreement between the Government of the Republic of Kosovo and the Government of Grand Duchy of Luxembourg on the development cooperation project " KSV/017: Institutional and Technical Support for the Water Supply System in the Mitrovica Region" and the Law No. 05/L-008 on amending and supplementing the Law No. 04/L-035 on reorganization of certain enterprises and their assets have been approved by the Assembly of Kosovo.

Draft Regulation on amending and supplementing the Regulation no. 02/2013 on the criteria for the establishment of local publicly-owned enterprises and participation of municipalities in boards of directors of regional water supply enterprises has been submitted to the Government for review and approval.

#### **Implementation of projects in the energy sector**

*Project of power plant Kosova e Re* - PSC has approved the report and evaluated the financial offer.

The government has negotiated the return on capital (equity) with 21.5% of IRR's (compared with 23% - 27% requested by CG).

The plant will be built on a single super-critical coal block with efficiency not lower than 37% and electric gross capacity of 500 MW, reaching balanced eligibility effect on electricity tariffs and ensuring energy supply for the country. The generator block shall be commissioned in 2022. The project does not provide for the financial contribution of the Government.

The PSC announced "Contour Global" as most preferred investor. The Government of Kosovo signed a Memorandum of Understanding with the investor "Contour Global" in December. The level of capital investment is expected to be approximately EUR 1 billion.

**KEDS post-privatisation phase** - In the context of fulfilling the obligations arising from the privatization contract, the unbundling process between the divisions of distribution and supply (KEDS/KESCO) has been completed. The result of this process is the KESCO Company licensed to supply electricity.

Regarding the agreement for workers - (implementation agreement) which guarantee workers' contracts for a period of 3 years from the date of privatization - no dismissal of workers has been recorded.

**Investment Plan** - According to reports from KEDS and ERO, since 2013 in KEDS have been invested around EUR 55 million, meaning that the 5-year investment plan 2013-2017 is being implemented, approved by ERO in the amount of EUR 107 million.

This is in accordance with Article 4.14 which provides for that KEDS will invest more than EUR 300 million within the period of 15 years.

**EE and RES project funded by the World Bank in the form of borrowing** - the agreement has been ratified in the Assembly of Kosovo and the investment amount is 31\$Mln. Designs for the first 5 buildings have been prepared to implement EE measures and the implementation of relevant measures is expected to begin after finalization of the procurement procedure. Public promotional campaign project for RES and EE is completed.

The support program for Energy Audit (2015-2017) has been realized within the "Implementation of Energy Efficiency Measures in Public Service Buildings". 5 schools in the municipalities of Kosovo have benefited from this project and a significant number of schools in Kosovo are expected to benefit in the next years.

**Mining sector** - "Study of geological-geochemical, geo-environmental and geo-tourist resources of Gashi zone" project implemented.

The financial support from the budget of the Republic of Kosovo intended for "Trepca" in the economic category of subsidies and capital investment for 2015 amounts to € 4,812,870.00.

Subsidies from the budget of the Republic of Kosovo intended for Trepca-PAK amount to € 3,082,870.00. Trepca-PAK - south for fiscal year 2015, the amount paid € 2,158,009.00. Trepca-PAK - north for fiscal year 2015, the amount paid € 924,861.00.

Capital investments from the budget of the Republic of Kosovo through MED, destined for Trepca-PAK, amount to € 1,730,000.00.

Trepca-PAK- south, through capital investment, has implemented two projects: (1) Project: The opening of new workshops in X-XI horizons in the mine "Trepca" in Stan Trg. The value of the project for 2015 amounts to € 635,000.00. (2) Project: Rehabilitation of workshops in the location horizon VIII and IX. The value of the project for 2015 amounts to € 700,000.00.

Trepca-PAK-north, through capital investment, implemented a project: The project "Installation of filtering equipment and apparatus for improvement of technology and working conditions at the refinery - Zvecan". The value of the project for 2015 amounts to € 400,000.00.

Preparation of the **passport for the area of special interest "Zhegoc" and "Dabëllde"**, declared by the Government of the Republic of Kosovo, which will be a guideline for detailed research to further investment.

In cooperation with UNDP, seismic stations have been regulated and the maintenance of servers "GeoHub" and "SeisComp" has been performed.

**ICT Sector** - "Efficient co-use of telecommunication infrastructure resources (KOSTI)" project - the methodology and the financial model of calculating the price for using the infrastructure under their disposal have been prepared based on this study.

Development of the system of the electronic atlas for broadband telecommunications infrastructure in Kosovo (this project is a component of the project above) - which as a result had the study and then the recommendation in the form of detailed guidance for the development of the electronic atlas for broadband telecommunications infrastructure in Kosovo, which will take place within the MED.

The project for development of broadband infrastructure in rural areas (\$ 475,000) - which as a result had the detailed report based on a detailed study of the broadband market, technical analysis of gaps in the existing infrastructure, financial analysis and formulation of recommendations.

**Postage Stamp Program** - Postage Stamp Committee (PSC) has prepared the Postal Stamp Program for 2016. PSP has also developed regular activities for the selection of winning motives

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and designs, as well as the approval of the first samples of the postal stamp from the Postal Stamp Program for 2015.

**Public enterprises-** investments in: rehabilitation of water supply network in the roads: Fetah Gega and Kadri Nesho 50,000; drinking water lines from the Radoniq basin, Phase II - LINE ANADRINI 250,000; placement of water meters in areas 130,000; rehabilitation and extension of the technical services building 117.074; replacement of primary and secondary water supply pipe - Ferizaj 192.460; construction of Dam in the village Dubove - Peja 50,000; derivative canal of Radoniq basin 300,000; the construction of the Isniq canal 258.460; sewage in the city of Peja 83.766; rehabilitation of water supply network in the central part of Prizren 150,000; the water project provided sewage for rural areas of Kosovo, phase 5A - RWSPP 3,000,000; renovation of network equipment VPN 300,000; repair of new locomotives re-fabrication 1,091,859; supply with equipment and working tools for the maintenance of railway lines 701.087; supply with spare parts of infrastructure 268.913; renovation of bridges and tunnels on railway lines 100,000; social scheme subsidy for families in need EUR 3,500,000.00; Central Heating of Gjakova: EUR 500.000,00, subsidies for purchases of fuel; water and waste 625,000,00; subsidies to cover the cost of potable water losses.

Trainkos EUR 500,000,00 and Infrakos EUR 600,000.00 for subsidies to cover the costs of public transport.

**Ministry of Infrastructure** - Project for the R6 highway Gjilan - Dheu i Bardhe, the designing company has submitted the preliminary project of the highway. The implementing project is expected to be completed during the first half of 2016.

The completion of the feasibility study and environmental impact assessment for the segment Kijeve - Zahaq (30 km), and of the implementing project, commenced in cooperation with WBIF and EBRD,

The General Procurement Notice has been published, and at the beginning of the second half of next year is expected to be completed the process of selecting the operator. During this month (December) is expected the establishment of the Project Implementation Unit.

It should be mentioned that 64 projects were capital projects whereby 35.55 km of national roads and 21.50 km of regional roads have been asphalted, whereas 81.2 km of local roads have been asphalted in co-financing with the municipality.

Regular program of horizontal and vertical signalization of national and regional roads and g) is the regular check of axle loads and data from automatic counters for the volume of traffic. In addition, 412 decisions for exceptional transport have been issued, 3300 axle weights checks have been performed and out of which 275 are summonses to court.

In the legislative plan: *the law on driving licenses has been approved by the Assembly in the first reading, whereas the Law on road traffic rules is submitted to the Government and is expected to be approved* and the Regulation on the internal organization have been approved by the Government. Six AIs have been signed by the Minister.

99 driving schools, 861 driving instructors and 131 lecturers have been licensed and re-licensed. Moreover, eight (8) technical control centres have been re-licensed. The number of candidates tested for driving license in the theoretical part is 54357, where 29227, or 53.70%, passed the

exam, whereas 36367 have been tested in the practical part, where 28197, or 77.47%, passed the test. The electronic testing is in process of developing procurement activities which will be operational in the beginning of the next year, whereas cameras have been installed in driving licenses unit.

In the field of transport, in addition to the AI signed, the MI dealt with the establishment of a favourable and secure environment for increasing the quality of services in transport and the financial support according to budget planning for NP "Trainkos" with the aim of sustainable function of the railroad Prishtina-Klina-Prishtina-Peja-Prishtina and Prishtina-Hani i Elezit-Prishtina.

The procurement activity has been carried out and a contract has been concluded for humanitarian bus transportation in various lines within the country, namely eight transportation lines.

Were initiated nine cooperation agreements with EU countries in the field of transport, a bilateral agreement has been signed between Hungary and Kosovo, whereas four agreements have been approved by the Government of Kosovo and are currently waiting to be approved by the respective countries. A borrowing contract has been signed for the Railway by the EBRD and EIB for the development and rehabilitation of Route 10 Rail network. At present, the company for drafting the design of the railway route 10 Kosovo Polje - Hani i Elezit is has been selected.

482 inspections have been carried out in public roads, 1149 in road transport inspections, 422 inspections in technical control centres and 1071 inspections at driving schools.

In the summer season were approved 12 flights scheduled for airlines from Turkey and Switzerland, whereas for the winter season have been approved 8 scheduled flights for airline from Turkey and Switzerland, 5 airlines that have entered Kosovo market for the first time have been licensed, and also the traffic rights have been enabled to also develop 16 EU airlines and 174 approved flights, issued for airlines as charter flights.

The strategy for road traffic safety has been approved; as a result of the strategy, three meetings of the road traffic safety Council have been held, an awareness raising campaign has been carried out, the project "stop death from accidents", marking the world day of remembrance for the victims of road accidents. We also cooperated with the Kosovo Police for raising awareness in traffic, holding lectures in 158 primary schools including 25 municipalities, distribution of leaflets and brochures, as well as in border points and in schools.

A sectorial meeting has been held in the context of the Stabilisation and Association Process Dialogue "Infrastructure" with representatives of the European Commission. The action plan for implementing recommendations arising from sectorial meetings has been prepared. From the technical assistance within the TAIEX is implemented the "Draft of the Manual for imposing fines against Airlines and Agencies not liable to the passenger". The Sector and Multi Modal Transport Strategy has been approved.

**The Ministry of Agriculture, Forestry and Rural Development** has continued to implement program policies in support of farmers, promotion of the agricultural sector in general and

management of forest preservation. This year, these program policies have advanced the program and were in line with the Government Plan.

This year, the budget for agriculture was twice as big as it was in 2014, which has enabled us to enhance and expand our support to farmers in the scheme of subsidies and grants, despite major obligations carried over from the previous year. In 2015, EUR 43 million have been divided into two support schemes, in direct payments 23 million and 20 million in investment grants. MAFRD has developed important and basic laws for the agriculture and forestry sector, as well as dozens of administrative instructions for subsectors. International regional cooperation remains one of the important links of the implementation of our programs and cooperation has advanced and trade barriers have been eliminated for agricultural products.

### **Investment grants**

Investment grants scheme is one of the advanced development policies that ensure sustainability of agribusiness. Even this year, support has grown and expanded. In 2015, grants were allocated for about 390 farms and agribusinesses in many sectors, oriented in production, processing, diversification and irrigation.

The MAFRD has allocated around EUR 20 million to 390 farms and agribusinesses, and given that our support scheme provides for projects in co-investment, the investment from the private sector, beneficiary of the scheme, is around EUR 12 million, where the total investments in agrobusiness development projects is 32 million for this year. This investment has generated 2500 new jobs in the agricultural sector and will be registered as employees. The average grant is 50 thousand EUR. This program is expected to increase the primary production of fruit and vegetables, where new plants of berry fruits and fruit trees have been significantly increased, as well increase in the meat sector with the opening of new processing factories and to increase the establishment of greenhouses.

### **Direct payments – subsidies**

The subsidy for various agricultural cultures and livestock has increased up to 50 percent, as well as are added new cultures that are subsidized by the MAFRD. The subsidy per dairy cattle has increased been increased from EUR 50 to 70. The subsidy for wheat, corn and sunflower has been increased to EUR 150 for each, based on 125 and 100 as it was in 2014. The subsidy for sheep and goats has increased from EUR 10 to EUR 15 per head. Also, new cultures have been subsidized, such as subsidy of trees with EUR 400 per hectare and reported cattle slaughter from EUR 30 per head. Whereas has continued the subsidy for vegetables in the open field from EUR 300 per hectare as well as subsidies for milk according to quality, and for laying hens and bees. The Ministry of Agriculture, Forestry and Rural Development, in collaboration with the Agricultural Development Agency (ADA), which implements support programmes has managed to successfully realize subsidy payments, which are already made to each beneficiary farmer. The total number of beneficiaries of direct payments scheme is 36 786 farmers.

MAFRD has increased transparency in relation to the public. This year, we have published for the first time two grants assessment processes, preliminary lists and the final lists with the

names and amounts of support for profitable farms and agribusinesses. Also, since the opening of the application phase, all procedures and evaluation criteria have been publicized. In addition, the lists of beneficiaries of subsidies have been published on the website of the ministry when assessing applications. We have ordered checks in order to inspect the projects supported, as well as the payments for beneficiaries have been timely implemented.

This year, we have increased promotional activities for local products by organising fairs for various products, such as trees, vegetables, beekeeping, livestock, etc., and supporting the organization of major international trade fairs in Kosovo. We have also organized various alternative activities that aimed to stimulate the interest of our young people to engage in agriculture, such as wine and grape festival, photography competitions for agriculture, etc.

MAFRD has continued to advance the counselling services in agriculture, as a key element for the development and sustainability of the sector. In this regard, have been adopted important administrative instructions for counselling services that enable a modern approach and public-private collaboration in service provision. The public web page for advisory services, [www.keshillabujqesore.com](http://www.keshillabujqesore.com), has been opened for the first time.

The Ministry has drafted the new Draft Law on Forest which is ready for approval in the Government. It will enable an efficient management and will ensure punitive measures for illegal loggers. Nevertheless, this year, protection has advanced and the illegal logging has decreased; however, still remains a challenge. Dozens of files for investigation bodies for offenders have been prepared. The implementation of afforestation programmes has also continued for this year, where 400 hectares of forest have been afforested. These years were managed forest fires in a proper manner, and unlike other countries in the region in Kosovo, there were very few fires and those that occurred were extinguished and localized. This happened thanks to the proper cooperation between all institutions. For afforestation and forest protection, we have engaged this year, in cooperation with the Ministry of Labour and Social Welfare, around 1000 job seekers, who have been engaged for 9 months and were paid EUR 250 per month.

During this year, we have eliminated some barriers between Kosovo and Albania in relation to agricultural products. The phytosanitary certificate for import of eggs has been approved and now their export to Albania is not impeded. The reference price and limit of the amount of export of grapes in Albania has been removed. We are also finalizing the unification of standards of flour, which we expect to accomplish next year. It is worth mentioning that this year there was no blockade for this or other sectors.

### **Registration of agricultural and sector analysis**

Implementation of activities related to the publication of preliminary and final results of the project for the Census of Agriculture, which is close to the KAS and the preliminary data have been published on 28 February, whereas the final results on 26 November this year. Within the sectorial analyses, economic analyses have been performed for cereals, on which occasion we prepared the balance of supply and publications for: corn, apple, strawberry, plum, grapes, meat, milk, pepper, potatoes, and the analytical report for rural credit. Also, a report has been prepared and published for FADN 2015. The analysis on the impact of policies and new policy

orientation, and/or reorientation of existing policies has been developed and published. Finalization of the reports required by the European Commission for the export and import of agricultural products to Kosovo with the EU member states, for all agricultural products at 2 digits code and eight (8) digit codes, as well as finalization of the table with the state of the trade balance for agricultural products 2007-2014 at two (2) digit codes.

During the reporting period, Ministry of Agriculture, Forestry and Rural Development achieved these priorities, which have been part of our daily commitment, such as:

1. Preparation of Economic Reform Programme for the sector of Agriculture and Rural Development 2016. This program has been prepared in accordance with the MAFRD priorities, the strategic plans of the Government of Kosovo, in full compliance with the EU Common Agricultural Policy as well as takes into account the implementation of the obligations arising from the SAA
2. Preparation of Kosovo Green Report 2015, this is the third edition of this factual report, which presents the credible official data reflecting the structural changes in the rural agricultural sector.
3. Preparation of the Annual National Programme for Agriculture and Rural Development for 2016. This programme has been prepared based on the requirements and priorities of the sector and in accordance with the EU Common Agricultural Policy. The programme is composed of project measures as follow:
  - 3.1 Investments in physical assets in agricultural economies/Measure 101
    - *Trees fruit sector*
    - *The berry fruit sector, including strawberries,*
    - *Greenhouse sector and the warehouse for storage of vegetables,*
    - *Meat sector (cattle fattening and broiler farming),*
    - *The sector of cow, sheep and goats milk*
    - *Grape sector,*
  - 3.2 *Eggs sector, investments in agro-processing and marketing of agricultural products/Measure 103.*
    - *Milk and meat processing - slaughterhouses*
    - *Processing of fruits, vegetables and grapes*
  - 3.3 Measure 202: Protection and cultivation of forests,
  - 3.4 Investments within Measure 302: Diversification in the farm/Measure 302
    - *Measure 302.1 – Beekeeping, production / processing and marketing of honey*
    - *Measure 302.2 - Collection and processing of mountain non-wood products and their marketing,*
    - *Measure 302.3 - Processing of agricultural products (cultivated) and their marketing,*
    - *Measure 302.4 - Development of craft activities and their marketing,*
    - *Measure 302.5 - Development of rural tourism and farm tourism,*
    - *Sub-measure 303.2 - Functionality of LAGs selected 2016 and NRD*
  - 3.5 Technical assistance/Measure 501,

### 3.6 Measure for irrigation of agricultural land,

#### 4. Draft measures of direct payments for:

Autumn wheat planting, planting the seeds of wheat, rye, barley, spring planting of corn, spring planting of sunflowers, existing orchards, direct payments to existing vineyards, production of planting material of fruit trees and grapevine on vegetative graft wood, organic production, dairy cattle, buffalo, sheep, goats, apiculture, milk according to quality categories, egg production, sows for reproduction, planting of vegetable crops in an open field.

#### 5. Update of the seven year medium-term programme for agriculture and rural development ARDP 2014 - 2020. In this context, the programme identified six project priorities:

- *Development of knowledge and changes in agriculture, forestry and rural areas;*
- *Increased competitiveness in all sectors of agriculture and increase the sustainability of farms;*
- *Promotion of food organizations and risk management in agriculture;*
- *Restoration, conservation and improvement of ecosystems dependent on agriculture and forestry;*
- *Promoting resource efficiency;*
- *Promoting social inclusion, poverty reduction and economic development in rural areas.*

#### 6. Establishment of municipal agricultural information centres in all municipalities

The MAFRD, within the European Integration Process, has built a proper and efficient institutional collaboration in order to meet all the duties and obligations deriving from the Stabilisation Association Process - *Stabilisation and Association Process Dialogue (SAPD)*, successful implementation of priorities of the *Action Plan on Negotiation of SAA, donor coordination* as well as all other tasks in this regard, efficient use and all forms of EU assistance for Kosovo (*IPA, technical assistance, rural grants, TAIEX, etc.*)

7. The MAFRD, in cooperation with MEI, has successfully organized meetings of the highest level with the EC, plenary and sectoral meetings of the SAPD, and prepared narrative document for achievements in agriculture, rural development and forestry; in this document are included legislative, institutional and other developments within the ministry, as well as was monitored the fulfilment of the conclusions of these meetings.

8. MAFRD addressed the priorities set by EU requirements, in APNSAA. Challenges from the progress report have been addressed during the drafting of APNSAA where EU criteria have been met.

9. Preparation of the Final Draft Assessment Report/Ex post, ARDP 2007-2013. The report is under the review and comment process (Project funded by the European Commission). Finalization of draft Monitoring Report, in which are summarized the activities of monitoring the quality of implementation of the approved for Agriculture and Rural Development Programme, for the period 2014. In addition, it describes the progress made in implementation of the programme, through the evaluation of performance indicators, as well as addresses the challenges, which are identified during the monitoring process in the field of applicants (beneficiaries and non-beneficiaries).



10. In support of the project for accreditation/EC, the Managing Authority is under the process of developing activities in accordance with the rules and procedures of IPARD: Gap analysis, familiarity with the procedures of preparing manuals, development and implementation of a system for M&E according to the IPARD Programme, etc.
11. The implementation of the fifth scheme of agro-rural grants financed by the European Commission continued even in 2015 - this is a continuation of the success of MAFRD, even though no contractual agreement has been signed yet with the EC and only owing to the good work of the MAFRD, we are the first country in the region to implement such a scheme, even though we are not yet a candidate country. Currently, the call for application is open.
12. In terms of legislation, we worked on a variety of draft laws and administrative instructions, such as: for the Draft Law on Strong Alcoholic Drinks, the Tables of Concordance Kosovo - EU and EU - Kosovo have been finalized and processed to the Cabinet of the Minister, in the MF, for Financial Statement and Statement of Compliance in MEI. For the Draft Law on Food, the Tables of Concordance Kosovo- EU and EU - Kosovo have been finalized and processed to the Cabinet of the Minister, in the MF, for the Financial Statement and Statement of Compliance in MEI. Is expected the finalization of the Draft Law on Hunting, as well as of the draft law on amending and supplementing the Law No. 2004/21 on Veterinary, where the working group has started to draft this law and we are under consultation with an expert from the Republic of Slovenia. Draft Law on Forests - the Tables of Concordance Kosovo - EU and EU - Kosovo have been finalized and processed to the Cabinet of the Minister of MF, for Financial Statement and Statement of Compliance in MIE. For the Draft Law on Seed and Planting Material, the General Secretary, with a decision of with Ref. no. ZSP-207/15, No. 124, dated 11.03.2015, established the Working Group. Furthermore, are 12 Draft Administrative Instructions (AIs) have been drafted which are under the review and approval procedure: (1) Draft AI - on licensing of collectors and industrial processors of tobacco and its products; 2) Draft AI - on the content and the method of register keeping for production, processing, importing, storing or distribution of plants, plant products and other objects; 3) Draft AI - on the use, authorization and content of plant passports; 4) Draft AI - on the control system, control authority, control authorities and rules for implementing control; 5) Draft AI - for aquaculture production; 6) Draft AI - on livestock production; 7) Draft AI - on Plant Production; 8) Draft AI - for duties and responsibilities and composition of organic agriculture committee; 9) Draft AI - on quality standards and categorization of unprocessed milk; 10) Draft AI - establishment of the livestock council; 11) Draft AI - on the manner of preserving indigenous breeds; 12) Draft AI - on genetic values.
13. In the context of measures taken to protect agricultural land from unplanned urban buildings, through the coordination of activities with municipal departments for spatial planning, inspectorate and agriculture. It continued the implementation of the unfinished land consolidation project as well as implementation of the project for land arrangement on a voluntary basis. The unfinished project in 21 Cadastral Zone has resume its work in the municipality of Drenas and is in the process of review and discussion with owners and users of agricultural land by the municipal commission for land consolidation; in the municipality of Vushtrria, the project is continuing in 5 cadastral areas where the scanning, geo-referencing, vectoring, digitization, establishing of geodetic network of the third order have been carried out in the municipality of Viti and Kllokot.

14. We continued coordination of activities in the implementation of the project (Application of Spatial and Rural Plan in all municipalities of Kosovo) - this project is continuing on improving rural spatial planning procedures, the provision of specific application (software system) for Municipalities, as support to the legal components are drafted AI on basic elements and requirements for the drafting, implementation and monitoring of municipal development plan and AI on basic elements and requirements for the drafting, implementation and monitoring of the municipal zoning map.
15. We continued further development of Land Parcel Identification System by connecting LPIS with the Direct Payment Module for automatic data import for the vineyards digitizing campaign.
16. Kosovo Forest Information System has completed the final testing phase, whereby the KFA staff received training. Also, regarding the drafting of the national program for afforestation of bare surfaces - the final phase of the project has been completed, the National Program for Afforestation in bare areas has been drafted, as well as begun the training phase for competent officials of MAFRD, municipalities etc., organized by FAO and the company implementing the program.
17. Maintenance of the vineyards cadastre for 3200 ha and expansion of vineyard cadastre for 100 ha, as well as the establishment of wine control - has continued the maintenance, strengthening and expansion of Vineyard Cadastre and Wine Industry of Kosovo. The Kaveko Software has digitized all procedures dealing with declarations of grape and wine production. The Wine Quality Management System became functional. Varieties of wine samples have been analyzed and have the right to market. All these samples were intended for domestic trade and export. Also, the procedures for creating the card for quantities of wine for all manufacturing companies licensed by MAFRD have been digitized. 4,500 cards have been prepared for farmers. Cards are in the process of distribution.

During 2015, the **Ministry of Internal Affairs** has scheduled all projects foreseen in the Rule of Law Assistance Strategy 2016-2019 and the Planning Document for the Rule of Law sector. MIA has already selected two partners for implementation of projects.

The Ministry of Internal Affairs has planned to draft, amend and supplement a total of (6) Draft Laws, which are as follows:

Out of which, the draft law on amending and supplementing the Law no. 03/L-143 on Weapons, the draft law on amending and supplementing the Law no. 03/L-246 on weapons, ammunition and relevant security equipment for authorized state security institutions, as well as the draft law on identity cards, have been adopted.

Whereas the draft law on the retirement of the Kosovo Police Officers, draft law on amending and supplementing the Law no. 04/L-049 on Fire-fighting and Rescue, and the draft-law on amending and supplementing the Law no. 04/L-012 on Fire Protection, have been finalized.

Whereas a total of 32 bylaws have been amended and supplemented to implement the applicable legislation within the scope of this ministry.

For the **capacity building and cooperation in the field of safety and security**, during this year we increased the inter-institutional cooperation in the field of prevention and combating of crime, whereby the cooperation agreement for the establishment of a steering committee for the field of IT for all law enforcement institutions has been signed. The study of interoperability of IT systems of law enforcement institutions has been carried out, and the new KFIS with the highest standards in the field of IT has been functionalized, which has integrated all databases of Kosovo Police. Two ISKP modules, namely the operations module and the investigations module, have been created within the new ISKP, as well as many policies at the strategic level have been drafted. Further, in order to advance the border control, the contracts for the maintenance of BMS, CCTV and ANPR have been signed.

Also in the context of capacity building, the Kosovo Agency of Forensics, in accordance with international standards ISO has accredited the following five divisions: Division (laboratory) for Serological and DNA Analysis, Division (laboratory) for Chemical Analysis of Narcotics, Division for Ballistics, Division for Dactyloscopy and Division for Documents and Manuscripts.

Also, the division for analysis of explosives and arson has created and validated three new methods in the field of explosive analysis.

Also, during this year great achievements have been marked in the field of international and regional cooperation, as in the development of joint operations with neighbouring countries and the EU, as well as is managed to sign three (3) international agreements in the field of police cooperation, namely with Albania, Slovenia, UK and Northern Ireland.

In order to **increase the security of documents**, during this year we launched the new version 2.0 of the civil registration system and launched new certificates with the highest safety standards. In this context, 530 civil registration officials have been trained on the use of the new system and legislative changes. Also, the process of digitization of books returned from Serbia begun during this year, a process which creates a more reliable civil status register.

### **Management of migration flows**

As a result of the measures taken, we managed to stop the flow of illegal migration of Kosovo citizens in EU countries. Whereas, in order to manage the potential flow of refugees from Middle Eastern countries, MIA has prepared a response plan defining preparatory and response actions from the institutions of the Republic of Kosovo. During this year, the action plan of the Strategy for Migration has been reviewed, the Regulation for the integration of foreigners into the Kosovo society has been drafted and the Migration Profile for 2014 has been drafted. Furthermore, the centre for foreigners has been functionalized. In addition, during this year, Kosovo managed to join the migration, asylum and refugees regional initiative (MARRI).

**Sustainable reintegration of repatriated persons -**

During 2015, we continued re-admission of repatriated persons, while respecting agreements signed with the countries of the EU. During this year (January – November), 16 006 persons have been readmitted, where 8515 of them were repatriated by force (53%) and 7491 returned voluntary (47%). Moreover, the Readmission Agreement with Macedonia has been finalized, and we signed the Readmission Agreement with Turkey.

MIA has continued with reintegration of repatriated persons through a special fund for reintegration and reviewed the rule for the benefit from the reintegration programme in order to ensure sustainable reintegration of repatriated persons. Furthermore, almost all municipalities have drafted and adopted municipal plans for reintegration.

**Ministry for the Kosovo Security Forces** - in the line with the recommendations of SSSR, the government has proposed to the Kosovo Assembly amending the Constitution of the Republic of Kosovo, which would enable establishment of the legal basis for the transformation of the Ministry of KSF into the Ministry of Defence and also the KSF in Armed Forces of the Republic of Kosovo.

During this period, despite the disapproval of constitutional and legal amendments, after intensive work and in the cooperation with DIR team and international partners, MKSF/KSF, has approved in principle the structure of the Ministry of Defence and Armed Forces of Kosovo. Also, in cooperation with advisers of NATO team, it was finalized in principle the Draft General Military Doctrine, Draft - Doctrines of Functional Areas (personnel, intelligence, operations, logistics, communications, trainings), Draft - White Paper, Draft - Decennial Long-term Development Plan (LDP), Draft - Decennial Supporting Plans (personnel, operations, logistics, communications and medicine), the missions statement of the Ministry of Defence, AFK and its units, Draft-Table on Organization and Equipment (TOE), Draft-Long-term Budget Plan on Defence, Draft-Concept of Decennial Transformation from KSF into AFK, etc. Once the political decision of the Assembly of the Republic of Kosovo for transformation of the MKSF in the MD and KSF in KAF is issued, these documents will be processed for approval.

In the context of increasing transparency and accountability to the institutions of the government of the Republic of Kosovo and its citizens, it was started with periodic and annual reports of implementation of the annual plan and decisions of the Government, budget expenditures, registration, monitoring and processing of all supply, services projects, capital investments, the donors of all the operational assets and development of the process for devaluation of those non-functional.

As a result of the recruitment process, during 2015 were recruited: active members- 334 new recruits (305 male and 29 female), of which 17 selected recruits belong to the minority communities.

In accordance with the needs of the Kosovo Security Force, we managed to select 28 cadets (23 male and 5 female), of whom 2 are coming from the minority communities. Selected cadets will finish their studies at the following study centres: Centre for University Studies/Kosovo Security Force- 12, Military Medical Academy of the Republic of Turkey- 5, Ground Military

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Academy of Turkey- 2, Health College of NCO's in Turkey- 2, Military Academy of Macedonia- 2, Military Academy of Croatia - 2, Military Academy of the Federal Republic of Germany- 3.

From 12 selected cadets for studies at the Centre for University Studies of the Kosovo Security Force, 2 cadets are from the Republic of Albania as a result of the Memorandum of Cooperation between the MKSF and the Ministry of Defence of Albania.

The recruitment of cadets for West Point/USA - The process of recruitment of cadets to the Military Academy of the USA (West Point) started in early 2015, is still going on and from 98 competitive candidates, 4 candidates are continuing the competition who are currently in the qualifying phase. The selection process will be completed by February 28, 2016.

The recruitment of the civil servants - During 2015, in accordance with the recruitment plan and requirements of organizational units of MKSF/KSF, 3 civil servants have been recruited (Albanians), of which 2 males and 1 female.

Recruitment of political/cabinet staff - During 2015, 6 appointments have been made among the political staff (5 males and 1 female) and 4 appointments among the civil servants of the cabinet of the minister and deputy minister of KSF (3 males and 1 female). In 2015, among the political staff and the cabinet staff, 10 Albanians have been appointed in total.

Engagement and training of the reserve component - In accordance with the Annual Action Plan for 2015, and in accordance with curriculum of the training of reserve members for 2015, orders, summons, notifications and other supporting documents for the training of 175 members of the reserve component have been drafted during this year.

According to bilateral agreements that we had with twelve (12) countries in 2015, the trainings were carried out as follows:

From 117 trainings that were foreseen to be implemented during this year, 69 of them have been completed, 22 are underway and 9 of them have been cancelled.

During this year, 118 members have completed the training, 27 members are currently undergoing the training, and 20 members are expected to start the training.

Currently, 34 cadets are studying abroad in four countries: Germany 2, Turkey 19, Croatia 2, and in Macedonia 11.

Operational capacity and readiness - According to the assessment of RGjONj, KSF has managed to maintain and in some areas even to advance the level of readiness determined by the Commander of the KSF.

Operations for explosive ordnance disposal (EOD) and demining operations

Demining coordination centre has coordinated the realization of interventions of EOD. On call units of KSF have intervened in 301 cases and destroyed 441 various explosive ordnances.

During this season of humanitarian demining operations, KSF units were engaged in six locations: Seçishte, inside the space of the military base in Ferizaj, at the "Liria" park in Ferizaj, in Luzhnice, Zagrimle and Gorance. In these locations they cleared 282,985 square meters and destroyed 440 unexploded ordnances.

Other operations of KSF units - Operations of search and rescue, floods, incidents - 9, inspections in the area of Atomic Chemical and Biological defence - 15, Possible risk assessments from Liaison Unit for Crisis Response - 11, Firefighting operations- 4, Operations in unblocking of roads from snow- 5.

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Search and rescue operations – Supporting operation after floods in the Republic of Albania from 04 to 09 February 2015; in village Rufc, MA Lipjan on searching of the body of the drowned child in the water from 06 to 20 February 2015; in river of Iber for searching of the dead bodies from 11 to 28 April.

Training sessions – Collective training abroad: "Summer Camp 2015" (Macedonia) UF "Immediate Response" (Slovenia) UVK/Simulation exercise "Joint Reaction15" (Albania). Collective training sessions in the country: Throwing packages from the air and bonding of packages to the helicopter, exercise of communication, intelligence on desk exercise, exercise on the desk for logistics, UF "Eagle 4".

Logistical support system – Realized capital purchases: Supply of mobile air compressor (Search-and rescue equipment), ammunition, ceremonial uniform for KSF cadets and uniform for USC cadets and lubricant oils.

The contract has been signed and we are waiting for supply with: tactical vehicles, ambulance, closed vehicle – van, computer, military boots and field operational equipment (tents).

Equipment donation received in 2015- The United States of America has provided equipment in value of 354,316.42 US \$; The Trust Fund of NATO-28,959.00 EUR; Turkish KFOR- 3,476.00 US \$.

Infrastructure projects – The projects that have started in the previous year (2014) and completed in 2015 or they are on the way to be completed: 4 projects with joint value in amount of EUR 869,212.61, new projects which have started and completed in fiscal year of 2015: 1 project with joint value of EUR 102,971.00, projects which are expected to be completed by the end of December 2015: 3 projects with joint contract value (2014-2015) in amount of 1,845,118.10 EUR, capital infrastructure projects which started in 2015 and continued in next year (are phase projects of 2015 -2016-2017): 12 joint projects of contracts (2015-2016) in the amount of EUR 3,338,762.76.

Utilization of the increased capacity in assistance and support to civil authorities and communities – Department of Civil-Military Cooperation of MKSF in cooperation with G9KFT, BMO, through Engineering Battalion, managed to implement: 19 projects and 28 humanitarian assistances.

KSF medical teams have conducted medical examinations while providing medical assistance and essential medicaments to the Serbian community in villages of the Municipality of Istog and Novoberde. There is presence of medical personnel of KSF twice a month, who for a long time they receive various medical services free of charge.

It was organized humanitarian activity for voluntary blood donation with a massive response by KSF officials and officers, and NCO's and soldiers of the KSF by donating a total of 1107 doses of blood for the needs of the National Centre for Blood Transfusion in Kosovo.

Demining instructors, in addition to demining operations, have held lectures in primary and secondary schools for student's awareness of the risk on mines, other unexploded ordnances and pyrotechnics.

With aim of coordinating activities in resolving of fate of missing persons during the war of 1998-1999, along with local and international partners, MKSF has played an active role in the

performance of this commission. It participated regularly in meetings of the government commission GCMP, KSF units supported GCMP on transportation and paying honour for the 28 human mortal remains in Rezalle, Municipality of Skenderaj, 21 human remains in village Çikatovë e Vjetër in the municipality of Drenas on the occasion of reburial. CIMIC has participated in marking of 27 April-Day of Missing Persons in Kosovo and 30 August-International Day of Missing Persons.

**In regard to the cooperation that we have with Civilian-Military Supporting Office** within US Embassy in Prishtina, training sessions and humanitarian projects have been realized, such as a joint project of American cadets with cadets of KSF, cleaning the environment in the area of the railway in Ferizaj, painting of PLSSH "Daut Bogujevci" in Fushe Kosova, holding joint lectures in schools, such as in Mitrovica at "Frank Bardhi" school", and in Podujeva at "Aleksandër Xhuvani" school and in Viti at "Jonuz Zejnullahu" school.

Distribution of donation of medical supplies to the Main Centre for Family Medicine in Klina, donations, material means of agriculture to the Women Association in village Remnik, Ljubishte in the municipality of Viti and to Women Association in village Begrace of Municipality of Kaçanik, as well as the clothing stuff of the Red Cross of Kosovo to the Municipality of Kaçanik, in cooperation with the Department of CIMIC in MKSF and KSF.

KSF members have participated in training sessions/workshops held in Kosovo, the USA and in other countries, wherein a significant number of these training sessions was provided by the USA through the ODC.

During the period September 2014-September 2015, activities/training sessions planned in the State Program (SPP) between Kosovo and Iowa, namely, Kosovo Security Force and the National Guard of Iowa were conducted in accordance with the initial planning.

Training sessions/workshops held in cooperation with the National Guard of Iowa were focused on cybernetic protection, human resources management, professional military development, interoperability and deployment of combined ground forces, strategic developments, response capacity during natural disasters, partnership and regional cooperation, logistics operational capacity, the development of doctrine, and planning and execution of field exercises, conducted in Kosovo and Iowa, as well as visits of various levels that meant deepening of cooperation in various fields and further development of the KSF.

Commitment to expanding the scope of international bilateral cooperation with new countries and deepening of bilateral cooperation with partner countries – During this year, the processes of coordination, drafting and finalization of agreements of bilateral cooperation with the Czech Republic, the Federal Ministry of Defence and Sport of Austria and the Swiss Ministry of Defence have been developed; deepening bilateral cooperation with the Ministry of Defence of the Republic of Croatia, the Federal Ministry of Defence of Germany, the Ministry of Defence of Macedonia, the Armed Forces of the Republic of Turkey, the Ministry of Defence of the Republic of Latvia, the Republic of Albania, the Republic of Slovenia.

Our officers in general in all training sessions and studies in education and military centres achieved high results, and for this year it is worth mentioning the success of the officer of Kosovo Security Forces, Lieutenant Ismail Hoxha, who was awarded with "Sword for the best Overseas Cadet", the award formally given by Prince Charles. This is the first time when the Royal Military Academy of Great Britain gives this award to an officer from the Balkans.

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Coordination of activities with KSF attaches and those accredited by other countries to and for Kosovo - have been made all daily coordination activities with KSF attaches accredited abroad. Also, all planned activities have been coordinated with respective attaches of partner countries with whom the KSF has bilateral cooperation.

In addition to this, during this year two sessions of the conference "KSF and Partners" have been organized, where it was discussed the coordination of assistance provided by KSF by partner countries.

Participation in International initiatives of defence and security - Participation in the workshop "Regional Approach to Stockpile Reduction - RASR" organized by RACVIAC, Croatia, in the planned conferences provided for the exercise "Joint Reaction 2015", Albania and "Immediate Response 2015", Slovenia/Croatia, in the annual meeting of chiefs of logistics of armed forces within the Adriatic Charter A5, Macedonia, in the training session on "Role of Military Associations and Unions of Balkans Countries" organized by EUROMIL, Macedonia, in the Conference of Munich "European Defence Summit 2015", Brussels, in the conference of Chiefs of Defence within Adriatic Charter A5, Macedonia, in the annual meeting of Directors of Defence Policy, organized within Adriatic Charter A-5, Bosnia and Herzegovina, in the seminar "Development of the NCO's" conducted on 16 -19 Jun, 2015, Bulgaria, in the European security conference, organized by European Command of the US for Europe (EUCOM), conducted at the "George Marshall" Centre, in Garmisch of Federal Republic of Germany, in the Conference „USA - Adriatic Charter 5", with the topic "Gender Equality, Integration and Perspective in the Military structures", Albania, in the activities of the II European Defence Summit, in organization of the Conference on Security in Munich, Brussels, in the Conference within the USA-Adriatic Charter (A-5), of Chiefs of Defence of the countries of the region and American Command in Europe (USEUCOM), Macedonia, in the regional comprehensive meeting of the defence ministers (Comprehensive Regional Ministerial -CMR), Croatia, in the Annual Conference of Armies of European countries, sponsored by the U.S. Army Command for Europe (U.S. Army Europe), in Wiesbaden Germany, in the 10<sup>th</sup> Conference on Security "Riga Conference" (Riga Conference), in Latvia, in Conference "Enhancing security of modern vision" organized by the International Forum for Security of Halifax, in Halifax, Canada.

The progress for membership in regional initiatives A5, SEEDM, SEEBRIG, EMAC - MKSF with MFA coordinated activities and foreign and security policy for Kosovo's representation abroad with the security attaches or representatives of security fields within our embassies in different countries, and for coordination with regional initiatives (A5, RACVIAC, SEECP, RCC, etc).

Mayors of Kosovo municipalities have offered support to the registration process, by signing a cooperation agreement with **Ministry of Diaspora** in the meeting of the Association of Kosovo Municipalities.

We managed to reduce the Green Card fee by 50%, while efforts to complete abolition of this fee have continued, proposing the signing of bilateral agreements with member states of the Council of Bureaux.

The Ministry of Diaspora, Ministry of Economic Development and AlbKonFindustria, supported by DEED project, businesses and representatives of the two governments, have organized in Prishtina "EXPOFORUM" to identify new ways of financing strategic projects



between Kosovo and Albania. "EXPOFORUM" was opened with mini-fair of producers of Diaspora in Kosovo.

KCCDM in Switzerland, in cooperation with NGO "Bazel Gjakova", realized the cultural activity of the touristic and economic forum for Kosovo, which was attended by the Minister of Diaspora and Trade and Industry, many businessmen from Switzerland and other countries, whereas in Sweden, in cooperation with Albanian schools in Halmstad, marked 30<sup>th</sup> anniversary of the Albanian school in Halmstad with a various cultural and artistic programmes and in cooperation with cultural and education associations and rhapsodic groups, organized the First Festival of Albanian rhapsodies in Sweden.

In the context of the project for networking of Diaspora businesses, the Ministry of Diaspora and BNAD (Business Network of Albanian Diaspora), have been established Diaspora business networks in Australia, Germany (Hamburg), Turkey (Istanbul), Sweden and Norway.

About 60 Albanian businessmen from around the world, representatives of business networks of Albanian Diaspora from different countries of the world have been gathered during four days in Pristina, Istog and Tirana.

The Economic Forum with the topic "Improving the environment for investments by investors of the Diaspora in Kosovo" has been held.

In order to promote networks of Albanian businesses established in the world, information related to their objectives and goals, as well as the motivation of other businesses to join the network and contribute to the field of investments and economic development of the country, a monograph, in which is reflected the whole process of establishing these networks, has been prepared.

Also, the first phase of the project it has been completed during this year, while establishing networks of lawyers in Germany, Sweden, Austria, Switzerland and Italy.

The working group for administrative issues composed of officials from relevant institutions and civil society has been established. Problems faced by our compatriots, especially those that they face when obtaining documents have been identified. The result of work of this group is the brochure with relevant information for obtaining of documents, the memorandum between the MoD and the municipalities of the Republic of Kosovo, as well as achievement of publication of information on the flow of vehicles at the border crossing points, with assistance of the National Centre for border management.

**Ministry of Foreign Affairs** - Several agreements governing relations of RKS with countries in the region have been ratified and entered into force: the agreement on mutual cooperation in the field of security between the Republic of Kosovo and the Council of Ministers of the Republic of Albania has been ratified and entered into force, the agreement between the Republic of Kosovo and Montenegro for opening of the joint border crossing point Kotillove-Kuqishte has been ratified and entered into force, the Republic of Kosovo has ratified and strengthened the agreement and its protocol of implementation for military financial cooperation between Kosovo and Turkey, the agreement for establishment, functioning and activities of the Centres of Culture between the Government of the Republic of Kosovo and the

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Republic of Turkey has been ratified and entered into force, the agreement for protection of investments between the Government of the Republic of Kosovo and the Republic of Turkey has been ratified and entered into force.

The Prime Minister and the DPM/MFA with a focus on continuing the expansion of relations with countries in the region have had in NY meetings with Turkish Prime Minister, where discussed about the issues of mutual interest and the developments in the region; they also met with Greek Foreign Minister with whom discussed the issues of mutual interest, support of RKS for membership in international and regional organizations, as well as regarding the general developments in the region.

### **The signing of the SAA and implementation of the recommendations within the roadmap for visa liberalization**

In cooperation with MEL, MFA has managed to lobby through the diplomatic missions to the member states, and also in the EU institutions regarding the signing of the SA; at the same time, MFA realized the items on which was responsible regarding the roadmap for visa liberalization.

### **Advancing NATO approximation processes and Euro - Atlantic mechanisms**

Several meetings have been held with different levels of NATO, including the visit of the Secretary General of NATO, in Pristina. A proper coordination with MKSF regarding attaches, and after joining the Centre for Security Cooperation "RACVIAC", with headquarters in Zagreb, Kosovo has sent its representative in this important organization of regional security.

### **Economic diplomacy**

Hundreds of different activities have been organized, with primarily goal to attracting foreign direct investments, promoting Kosovo products abroad, informing potential investors, presenting the economic and trade potential of the Republic of Kosovo. In this regard, MFA, in cooperation with other line ministries directly responsible for the economy, organized: Economic Forum Kosovo-Croatia, where over 30 companies from Croatia and hundreds from Kosovo have discussed the possibilities of cooperation and deepening of business relations between the two countries. The DPM and MFA also participated in the Croatia Forum 2015 in Dubrovnik with the aim at fostering the economic support.

During this year, 19 agreements of an economic-trade character have been reached, aimed at further promoting economic development, while the other 7 were initiated with aim to further strengthen international economic cooperation of Kosovo. In order to increase the capacities for economic diplomacy, MFA has trained its staff in diplomatic and consular missions in the field of economic diplomacy, and welcomed delegations from different countries of the world, who were interested in investing in Kosovo.

### **Public and digital diplomacy**

We continued activities within the public and digital diplomacy, organizing internationally renowned projects, such as Interfaith, which has gathered in Kosovo 400 religious leaders and others from all over the world. All preparations for organizing of "Germia Hill" have been made, starting with first sessions of "Germia Hill Talks", meanwhile several publications have

been launched, such as: "This is how we do soft power", publications for UNESCO in several different languages, "Insta Kosovo", magazine "New Diplomat" with some new numbers, and a new website of the Ministry of Foreign Affairs has been launched.

### **The main achievements in the dialogue in Brussels**

The Minister for Dialogue with team of experts from the OPM and the line ministries has developed an intense and voluminous activity in an effort to achieve as much success in this process. These includes the achievement of a significant number of new agreements and serious progress in their implementation, the realization of a large number of dialogue meetings in Brussels, twelve (12) meetings, bilateral meetings with EU and EU Office in Kosovo, twenty-nine (29) meetings, bilateral meetings with the USA and U.S. Embassy in Kosovo, twenty-five (25 meetings), and inter-institutional preparatory meetings for drafting of strategic negotiating platforms for topics that are addressed and which in total are seventy-one (71).

A significant number of rounds of dialogue at the level of Prime Ministers of two countries and IIR/EU Mogherini have been held with the aim of concluding the agreements that were generated from the technical level of talks. The Prime Minister, Deputy Prime Minister and Foreign Minister, as well as the Minister for dialogue and support teams have been part of six (6) high-level meetings, held in Brussels.

Four reports of the situation on implementation of Brussels agreements have been published, which were submitted in the EU, foreign embassies, office of the President, the Assembly of Kosovo, Government, Diplomatic missions of Kosovo abroad, as well as to all ministries, agencies and institutions of Kosovo, involved in the dialogue.

The Minister for Dialogue has reported twice to the Parliamentary Committees within the Assembly, once has reported to the Committee for Foreign Affairs and once to the Committee for Legislation, as well as has appeared seven times in plenary sessions of the Assembly during this year.

The Minister for Dialogue has led Kosovo's delegation in Brussels in two meetings that addressed the issue of the illegal migration of our citizens to EU countries.

### **Achievements of 2015**

The achievements in Brussels Dialogue have contributed directly to the realization of strategic objectives, including: strengthening state sovereignty at home and abroad, improving of rule of law, improving life of citizens in the social, economic, politic, security and integration plan, extension of state sovereignty in the north of the country and dismantling of parallel Serbian structures, normalization of friendly relations between the two countries with the hostile past, advancing of Euro-Atlantic agenda and strengthening the image of the state and alliance with USA, EU and NATO.

The main success was achieved with signing of the Stabilisation and Association Agreement (SAA) between Kosovo and the European Union in October of this year, a milestone which

paved the way to Kosovo's official EU membership. The Brussels dialogue has directly contributed to the achievement of the SAA.

All agreements which have been reached are in accordance with the Constitution and laws of Kosovo, and they are confirmation of recognition of Kosovo's independence from Serbia in areas where the agreements have been reached.

A regular reporting has been made to prove for failure of fulfilment of implementation obligations by Serbia, which resulted in the decision of the EU to condition Serbia with Serbia's European integration and with fulfilment of obligations of the Brussels Dialogue and normalization of neighbourly relations with Kosovo through Chapter 35.

The agreements reached during this year include the following areas: justice, dissolution of the "Civil Protection", package agreements dated August 25, 2015 for the telephone code, for energy (unblocking of the process of implementation), the removal of barricade from the bridge of Mitrovica and association, then, agreements such as vehicle insurance, trade in medical products, stopping illegal construction in north, mutual legal assistance, electronic exchange of customs data, licensing of companies in the north. With regard to the Association, the agreement makes clear that it will not have executive powers and it is in accordance with the Constitution and laws of Kosovo. Kosovo has conditioned the establishment of the Association with complete removal of the parallel structures of Serbia in Kosovo.

### **1. Strengthening of state sovereignty – expansion of sovereignty in the north**

Further strengthening of state sovereignty is one of the main achievements of the Brussels Dialogue. We managed to finalize the implementation of a number of agreements, among which we highlight the agreement in justice and dissolution of illegal structure of "Civil Protection," among others that are in process.

Kosovo will also finally establish unitary justice system in the northern part of the state at the beginning of next year through the operation of a Basic Court for seven municipalities and a Prosecution Office, in accordance with the all laws of Kosovo, as defined in the Brussels Agreement. Kosovo has finalized the integration of judges, prosecutors and Serbian administrative staff in the Kosovo system, which definitely dissolve Serbian parallel structures in this area.

Dissolution of illegal structure, so called civil protection has ended, with integration of its former members to the state civil institutions, according to the agreement. After many years, the states central institutions that have local activities will operate in the north of the country, while consolidating the state sovereignty in all institutional areas. The plan realized for integration included a large number of ministries and institutions/public agencies.

These achievements together with achievements in establishing a system of Kosovo Police in the north, establishing control in the two border crossings and establishing of the interstate border through IBM agreement, as well as selecting of structures and legal functioning of four northern municipalities, even still fragile, constitute a powerful strengthening of the state territorial

sovereignty throughout the country.

The agreement on energy has set the electric border between the two countries, because Kosovo/KOSTT has become an independent power transmission system within the European transmission system (ENTSO-E).

Through the agreement on telecommunications, Kosovo has provided national telephone code 383, which will be allocated by ITU in March of 2016, and Austria will apply on behalf of Kosovo. This agreement will establish the frequency border between the two countries.

Removal of the barricade from the bridge of Mitrovica, which began in October through the revitalization of the bridge by EU, has a powerful symbolic regarding consolidation of sovereignty, because after many years it will be unifying and free for use for everyone, citizens and vehicles in June 2016.

## **2. Strengthening the rule of law, welfare, integration and security of citizens**

Reached agreements and their implementation have had significant impacts in improving the lives of citizens, both, in the socio-economic as well as in the political and security plan. The agreements have contributed in improvement of the situation even in the four northern municipalities, and in integration of Serbs of that part of the state in the state institutions and society.

The agreements, such as the one of IBM and technical protocol, freedom of movement, free trade/customs seals, customs SEED (or Systematic exchange of electronic data), customs taxes collection at Jarinje and Brnjak crossings, have had direct effects on economic and social plan, because they have significantly reduced illegal activities, have strengthened the rule of law and effective border control. The revenues to Kosovo's budget have increased significantly by increasing revenues from taxes. Part of the taxes is poured into the Fund for the development of the northern municipalities. Also, citizens are exempted from additional fees for vehicle insurance. The issue of import and export of pharmaceutical products has been settled through the mutual recognition of certification of medical products. Agreements for telecommunications and energy will have significant economic impacts, and will provide security and stability to the country and citizens.

A series of agreements have contributed to the political stability plan and security, such as the one for legal functioning of four northern municipalities, establishment of the system of Kosovo Police in the north and dissolution of the parallel Serbian police, and soon of justice. Removal of the barricade will create a more secure environment; it is being worked on stopping of illegal constructions in the north, which are ethnically motivated by Serbia, and on establishment of the law and order in urban development for all citizens.

## **3. Strengthening of international sovereignty - Advancing the Euro-Atlantic agenda**

In the diplomatic field, the Ministry of Dialogue has developed a dense diplomacy, lobbying in bilateral and multilateral level, particularly with the US and EU in the countries of the EU, to illuminate the constructive role of Kosovo in Brussels dialogue and demanding that Kosovo

shall be rewarded with progress in European and Euro-Atlantic integration.

As a result of the dialogue in Brussels, Kosovo signed the Stabilization and Association Agreement (SAA) with the EU, which is a strong evidence of the strengthening of the international subjectivity of Kosovo and recognition for success in European reforms and dialogue in Brussels. Dialogue also helped that five non-recognizing countries to support SAA for Kosovo. It is worth mentioning that the EU had decided on SAA for Kosovo in late 2011, after reaching the first five agreements between Kosovo and Serbia. Also, international telephone code for Kosovo, which ITU allocated for Kosovo in March 2016, confirms the international sovereignty of Kosovo in the field of telecommunications. Kosovo has become independent system in the European transmission system (ENTSO-E).

Also, we are committed to speeding up visa liberalization for Kosovo citizens and accelerate Kosovo's EU integration. Among the targets for lobbying was the commitment for recognition from five EU member states to not hamper the SAA for Kosovo, for the benefit of peace and stability in the region. Kosovo has advanced in memberships in regional organizations where this year has joined the Regional Initiative for Migration, Asylum and Refugees (MARRI), while earlier in the Regional Cooperation Council (RCC), South East European Cooperation Process (SEECP), the European Bank for Reconstruction and Development (EBRD), the Regional School of Public Administration (ReSPA), the Centre for Security Cooperation (RACVIAC), the Venice Commission, etc.

Diplomacy is also used to support our positions in the dialogue. Special cooperation has been developed with the US Government and the US Embassy in Kosovo, then with Germany and other countries.

Kosovo Government considers that Brussels dialogue must end with mutual recognition between the two countries, Kosovo and Serbia, before their accession to the European Union, the result of which should be supported by all member countries of the European Union, with the aim of strengthening peace and stability in the region and strengthening entire and free Europe.

**Ministry of European Integration** - significant progresses have been marked in advancing the European agenda through the establishment of contractual relations between the Republic of Kosovo and the EU by signing the Stabilization and Association Agreement and the approval and its ratification by the Government, respectively by the Assembly of the Republic of Kosovo. Preparations have been made for the implementation of the SAA through the preparation of the National Programme for the Implementation of the SAA (NPISAA) and its approval by the Government on December 16. The programme is a key national policy document for implementation of the European agenda during the next medium-term (2016-2020) and envisages implementation of over 1,000 measures in 2016 to fulfil the obligations of the SAA through approximation of national legislation with the EU *acquis*, advancing policies, institutional reforms and increasing their capacity, as well as practical implementation.

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The evaluation process is concluded by the EC for meeting the criteria of the Roadmap on visa liberalization: the last fact-finding mission has been concluded by EU and all required recommendations have been fulfilled.

The government has established the National Investment Council, which coordinated the preparation of the Single Sector Pipeline Projects which consist of 39 key infrastructure projects worth EUR 2.4 billion. There are approximately EUR 80 million programmed of financial assistance for Instrument of Pre-Accession in the field of energy, agriculture and rule of law.

MEI has submitted to EC the first input of the institutions of Republic of Kosovo for EC Report on Kosovo for 2015 (for the period 1 September 2014 - 31 April 2015), while in September 1, 2015 the second input to this report (for the period 1 May to 31 August 2015).

In the context of preparations for the implementation of the SAA, we also is worked on the exchange of experiences with other countries. For this purpose, on November 25-26, MEI, with the support of UNDP, organized a two-day conference with the theme "*SAA: What can Kosovo benefit from the Croatian experience*", where were present Croatian experts who have been involved in the negotiation process for Croatia's EU accession and over 200 representatives of local institutions.

SAA was signed on October 27 in Strasbourg, was approved by the Kosovo Government on October 30 and was ratified by the Assembly on November 2.

Regarding government coordination structures for European Integration, meetings of the executive committee level for European Integration (seven committees) were held during this year.

It is also worth noting that in terms of capacity building of MEI and line institutions for the alignment and implementation of national legislation with the EU and preparations for implementation of the SAA, with the support of the UNDP office in Prishtina, as well the support of GIZ, training sessions have been held for the priority areas of the SAA. Areas for which the training sessions were held include consumer protection and public health, agricultural policies, competition policy, taxation and customs policies, etc.

All the annual meetings have been prepared and organized within the SAPD: Sub-Committee for Justice, Freedom and Security on 27-29 January in Brussels; Sub-Committee on Agriculture, Rural Development, Forestry, Fisheries and Food Safety on 4-5 March in Brussels; Sub-Committee on Innovation, Human Capital, Social Policy and Information Society on 10-11 March in Brussels; Sub-Committee on the Internal Market, Competition, Health and Consumer Protection on March 26, in Pristina; Sub-Committee on Trade, Industry, Customs and Taxation and SMEs on April 21, in Pristina; Sub-Committee for Transport, Environment, Energy and Regional Development on May 27-28, in Pristina; Sub-Committee on Economics, Statistics and Financial Control on June 16 in Pristina; Special Group on Public Administration Reform on June 1-2 and November 24 in Pristina, Plenary Meeting on July 9, in Pristina.

Preliminary reports on developments in sectors have been prepared for all SAPD meetings and delivered to EC prior to the meeting and conclusions have been adopted for each meeting,

which were subsequently monitored by submitting periodic reports on the implementation of subsequent actions.

Regarding the dialogue on visa liberalization, MEI has updated report on Kosovo's readiness for visa liberalization, identified 'open issues' or delays in the implementation process of the recommendations identified in the EC report of December 2014. A meeting of the Steering Committee for Visa Liberalization (SCVL) and Technical Working Group meeting to coordinate the drafting of the third report of the readiness of the Republic of Kosovo on visa liberalization have been held. Based on expert reports from this mission, and prior to the publication official report of the European Commission, MEI has pro-actively and in cooperation with relevant institutions has drafted an action plan for the implementation of the 8 key issues identified by the experts.

In cooperation with the EC, the drafts of the Sectorial Planning Documents (SPD) have been finalized: SPD on Rule of Law and Fundamental Rights, SPD on Agriculture and SPD on Energy. SPD's on Competitiveness Sector and Public Administration Reform are being finalized. Consultative meetings have been held with donors and civil society on SPDs of the 5 sectors. The list of proposals for projects within the IPA 2015 programming, in the amount of approximately EUR 80 million, has been completed and approved, while the plans of IPA 2016 program will be finalized in the coming year.

It has been worked on the preparation of nominations for the TAIEX instrument, and working meetings have been held for the selection of implementers for the Twinning projects from the IPA 2015 package, respectively 5 projects.

At the regional level, Kosovo for the first time hosted the IPA Multi-Beneficiary, which was held on 4-5 June 2015 in Pristina.

Regarding coordination structures for external assistance, a regular meeting of the High Level Forum has been held on 26 October. Regarding the monitoring of foreign aid, during this period, an annual report on donor activities has been prepared for 2014. During 2015, the Framework Agreement with the European Commission for the implementation of IPA II, a financial agreement for IPA 2014 and financial agreement IPA 2014 and IPA 2015 for cross-border cooperation with Macedonia, Albania and Montenegro have been signed. Recently, Kosovo and Sweden signed an agreement for cooperation on reforms.

In order to implement the Stabilisation and Association Agreement - the advancement of the strategic framework, institutional and legal approximation of national legislation with the EU acquis, during the reporting period we controlled the compliance with the EU acquis of a total of 126 (one hundred and twenty six) draft legislative acts, ninety (90) draft legal acts and thirty-six (36) draft bylaws. Regarding the building of institutional capacities of the line ministries, MEI in cooperation with KIPA held training sessions in the field of harmonization of legislation with the EU acquis. In total, four (4) training sessions have been held in two (2) rounds. Training sessions have been focused on the application of the methodology and practical guidelines in the process of harmonization of national legislation with the EU acquis.

A Practical manual containing guidelines and practical methodology concerning the approximation of legislation and Table of Concordance of Kosovo's legislation with EU *acquis*,



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namely the EU *acquis* with national legislation, has been prepared.

The Regulation no. 02/2015 for the process of translation of the EU *acquis* into official languages of the Republic of Kosovo, adopted by the Government.

MEI has collected acts from all line ministries EU whereby the approximation of national laws will be done in 2016. All these acts have been sent to Translation Company contracted by MEI.

Pursuant to the Agreement for the translation of EU legislation in Albanian, as well as cooperation in the field of approximation between the Ministry of European Integration of the Republic of Kosovo and the Ministry of European Integration of the Republic of Albania, a regular meeting of Technical Committee has been held.

MIE, with funding from GIZ, purchased the System Software Translation "Studio 2015 Professional". Training on the use of TRADOS system has been held and funded by GIZ.

**Ministry of Local Government Administration** - Is has been coordinated the integration of the so-called "Civil Protection" in the Republic of Kosovo institutions for 483 workers. Their recruitment process has been completed. 105 employees have been included in the payroll system, whereas the rest will be included from January 1, 2016. The MLGA has produced a series of documents to assist the negotiating team during the negotiation process between Kosovo and Serbia.

In the context of **policy development and promotion of local self-government**, the following have been drafted:

- Strategy for Local Self-Government 2016-2026 and the Action Plan 2016-2026 (approved by the Government in December).
- The concept paper for the capital of the Republic of Kosovo/Pristina (approved by the Government)
- Draft Regulation on Administrative Review of Municipal Acts (submitted for approval to the Government);
- Draft Administrative Instruction for Transparency in Municipalities (expected to be signed by the Minister of Local Government Administration)
- Draft Administrative Instruction for holding meetings of the Municipal Assembly (expected to be signed by the MLGA);

According to the Rules of Procedure of the Government, confirmation letters have been designed for acts sent from line ministries: 33 Draft Laws, 9 Concept Papers, 18 Draft Regulations, and 62 Draft Administrative Instructions.

In the field of monitoring and **implementation of legality and supervision of quality of municipal services**, the following achievements have been marked:

- All complaints/requests made by municipalities and citizens have been reviewed. In this context, MLGA has received and reviewed a total of 123 complaints and requests submitted by municipalities and citizens, which are related to the implementation of the local self-government legislation.
- Answers for 8 cases of prior consultation with municipalities before adoption of municipality acts have been provided;

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- 11 legal explanations for municipalities on the implementation of legal obligations have been drafted;
- A total of 710 approved acts of municipal bodies have been sent for assessment of legality in line ministries and sectorial committees.
- Handbook of laws and bylaws of the Republic of Kosovo that affect the local self-government has been prepared;
- 404 meetings held by the municipal assemblies of the Republic of Kosovo, out of which 363 were regular, 38 extraordinary, 1 emergency and 2 were solemn meetings, have been monitored. MLG has drafted monitoring reports for all monitored meetings.
- From 1527 acts approved by the municipal assemblies (135 Regulations and 1392 Decisions), MLGA assessed the legality of 817 acts for which it was responsible. Acts that were not under the competence of the MLGA were addressed by line ministries for review of legality.
- The MLGA, together with sectorial ministerial committees, have submitted 60 requests for review of acts to the municipalities. Out of which, 26 municipal acts are not harmonized with the primary legislation, whereas 34 are harmonized according to requests for review.
- A direct monitoring of municipalities has been conducted in accordance with the Monitoring Plan, with the purpose of monitoring compliance with legal obligations, verifying implementation of the requirements of Local Government Administration to review illegal acts and determining steps to improve law enforcement.

The following documents, reports and analysis have been drafted as follows:

- Report on municipal revenues and expenditures for 2014;
- Two reports of the Auditor General's recommendations for municipalities (comparison for 2012 and 2013);
- Report on capital investments in municipalities by MLGA funds;
- Municipal Performance Report 2014 (update of the municipal administration and quality of municipal public services) as well as allocation of the Incentive Fund;
- Analysis of municipality revenues for the period 2010 - 2014;
- Analysis on the functioning of the municipality's performance management system (2010-2014);
- The electronic program for performance management system of municipal services (CSC/CSM) has been advanced. We carried out the collection of data from municipalities on indicators measuring services, the development of areas and indicators for measuring the performance of municipalities, training of coordinators of municipal performance, mosaic 2015 - survey of citizens' satisfaction level regarding the service delivery and evaluation of PMS indicators.

In the MLGA web application have been published reports on the functioning of municipalities. Also, answers have been provided to 23 questions made by the media and civil society concerning the supervision of the municipal services quality.

**Within the development of institutional capacities of municipalities and municipal transparency, media campaign has been organized the for the right of citizens to information and the implementation of the Law on Access to Public Documents, 11 information have been**

provided for stakeholders regarding requests for access to public documents, including the interests of the media and non-governmental organizations.

Various seminars and workshops have been organised, such as: the seminar on municipal revenues; seminar for regional development; seminar on project management; organizing meetings for integrated plans; workshop for model strategy and the plan for socio-economic-local development; workshop on programming of local and regional development; seminar for foreign investments in the municipality; workshop for revenues; training modules for beneficiaries from cross-border cooperation programmes.

A 4-day training programme on the area of European integration has been delivered for municipal officials of European integration and central level officials for European integration.

In order to support the capacity of municipal officials in various areas of local self-government, the following guidance documents have been drafted:

- Guideline for model-strategy and plan for socio-economic development of municipalities;
- Handbook for Municipal Councils for Community Safety, according to the recommendations addressed in the Progress Report. This handbook is designed to meet the obligations arising from the visa liberalization dialogue and to serve municipalities (MCCS) in the implementation of legal regulations and local policies affecting the area of community safety.
- Guide to the principles of local self-government in Kosovo - comparative aspects with the European Charter of Local Self Government.
- Draft-Guideline for the management of municipal property.
- Guidelines for vice-chairpersons of municipal assemblies from among the non-majority communities in the planning and execution of their duties and responsibilities. Guidance on how to benefit from IPA funds.
- Drafts for profiles of 38 municipalities;

**The Ministry for Communities and Return** - has continued to provide financial support to initiatives for return and reintegration. Construction of houses is a clear example of the ongoing efforts of the MCR to accommodate returnees from different communities by providing decent living conditions which then will have positive effects in other aspects of life such as employment, health, education, etc. 134 returned families are beneficiaries of support in different regions.

**Within the Project "Return and Reintegration in Kosovo 4" (EU-RRK 4)** is a program funded by the European Union and the Ministry of Communities and Returns, through the EU Office in Kosovo and implemented by the International Organization for Migration (IOM / IOM) in 7 municipalities of Kosovo: Peja, Klina, Istog, Shterpce, Obiliq, Suhareka and Gjilan. The EU project "RRK 4" aims to support the return of 250 families in countries of origin.

Within the project EU-RRK 4, 121 houses have been built for families returned in municipalities. Beneficiaries of the programme have also received harmonized food and hygiene packages,

household furnishings, household equipment and grants for income generation by the partners in the project "Arbeiter Samariter Bund" (ASB) and the Danish Refugee Council (DRC/DRC).

Within the programme to support the resettlement of returnees of the Roma, Ashkali and Egyptian community from Macedonia and Montenegro, financed by the EU and co-funded by the MRC, for the return of the displaced Roma, Ashkali and Egyptian community have been included 60 families that are displaced in Macedonia and Montenegro camps.

13 remaining houses have been built, out of which 12 are for the families of the Egyptian community in the municipality of Gjakova, and one for Roma families in the municipality of Fushe Kosova. By the end of the program, during the period 2013-2015, 61 houses have been built for 61 families returned of this community.

**Infrastructure projects for integration of communities** - Through various projects of construction and reconstruction of houses, schools aid, building cultural and sports centers, roads, sewage networks, bridges, squares, street lighting and sustainability of their projects, the MCR has tried to provide communities the conditions for a stable and normal life throughout Kosovo.

The following infrastructure projects have been completed: Construction of the park in Shterpce, re-paving the part of the road from the bridge to Lipa to the city - Municipality of Shterpce, Paving the sports hall in the village of Staro Gacko - Lipjan, drilling of boreholes for drinking water in the village Rajanovc - Ranilug and in the village Strazha - Novo Brdo, reconstruction of the field of basketball in Shterpce - municipality of Shterpce.

Whereas projects being constructed and finalized are:

*Projects in collaboration with NGOs for stabilization of communities* - communities throughout Kosovo were assisted in various ways by the civil society. With the initiative of citizens and non-governmental organizations, the MRC has funded a number of projects in the fields of education, culture, sports, religious events and many other fields that are important to the quality of life of citizens.

This type of assistance through projects by which non-governmental organizations have competed, aimed at improving the cultural and educational life of the citizens in the fields mentioned above.

**EU-Community Stabilisation Programme Phase III" (EU- CSP III)** - The aim of the program is to continue the support of minority communities in 38 municipalities. Minority target groups include ethnic Serbs, members of Roma, Ashkali and Egyptians, Turks, Gorani, Bosnians, with EUR 2 million from the EU and the contribution of EUR 230,000.00 from MCR.

All projects reviewed and approved by the Municipal Support Committees have been assessed, supported, reviewed and approved at community/municipality level through Project Support Committees, who have given their support for each of the projects. All these projects have been

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implemented in a total value of € 212,594.28. Out of this amount the EU contribution is € 148,438.28 III CSP and direct contribution of the municipalities is of € 64,156.00.

Main achievements of the project- adjusting the church yard - Babin Most/Obiliq, supply with electricity for returned communities - Dubrava/Istog, construction of boreholes for water in the village Novak - Novak/Prizren, Reconstruction of land for indoor football- Shterpce, traditional clothing - Bresja/Fushe Kosove, supply with trucks for garbage collection and cleaning of waste in the village Çaber- Çaber/Zubin Potok, Sound and IT technology - Church in Prizren, adjustment of the sewerage network - Hoçe e Madhe/Prizren, repair of central heating - Ajnovce/Shterpce, renovation of the sports field - Stanishor/Kamenica, renovation of the church - Bresja/Fushe Kosove, park for games for returned communities - Nakell/Peja, road construction for returned communities - Gorazhdevc/Peja, renovation of primary school - Shterpce.

**Ministry of Environment and Spatial Planning** - in 2015, 17 Administrative Instructions and 2 regulations have been approved; from the primary legislation, due to different natures and non-genuine inter-institutional cooperation, MESP failed to adopt the 6 foreseen draft laws.

The Master Plan for Waste Management has been completed - which is an action plan for municipalities to better manage wastes in municipalities and their recycling. This plan was made with the support of EC.

The National Report for greenhouse gases for 2012 has been completed, and the inventory of greenhouse gases for 2013 is being finalized. This report has been conducted within the project "Transfer of Czech experience in activating Kosovo greenhouse gases monitoring system". Preparation of the report is supported by UNDP. A summary of the main report data is included within the report on the state of environment in 2015.

The report on the state of environment in Kosovo for 2015 has been approved by the Assembly on 30.11.2015. The country readiness report for the establishment of protected areas network NATURA 2000 has been prepared.

The report on the state of nature 2010-2014 has been prepared and the electronic version has been published on the website of KEPA.

Within the activity Renovation of hydrometric stations according to river basins, results have been achieved in the improvement of surface water hydrometric network through which is carried out monitoring of water quantity and level. With the support of UNDP, is continuing the installation of 25 rain meters for measuring rainfall.

Moreover, 10 decisions for declaring Protected Sanitary Zones have been adopted and published in the Official Gazette of the Republic of Kosovo.

Various activities have been undertaken within the prohibition of illegal actions of the functioning of the lime kilns in Shtime Lipjan and Malisheva municipalities.

Within the activity for the prohibition of all interventions in specific areas of preserved nature, inspection activities have been carried out and all activities and illegal construction have ceased

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in these areas such as: the Monastery of Decani, in the area of Mirusha waterfall and constructions made within the borders of the Historic Centre of Prizren.

In the context of empowering Spatial Planning, Construction, Housing, land management and cadastre development, including expropriation, the following achievements have been realized:

Has begun and continues the reconstruction of cadastral information in 50 cadastral zones in 10 municipalities.

Within the expropriation of properties for National interest by Government Decisions, MESP, during 2015, has processed 440 cases and expropriated and compensated 632 properties in the amount of € 23,743,267, the budget allocated for compensation for 2015 was realized for 99.8%. Also, the Government had to implement 19 decisions, of which 12 have been implemented and 7 are in progress.

During 2015, MESP developed 11 important projects in the field of waste, water and field of planning, construction and housing, where some are being finalized while the rest still continue.

**Ministry of Culture, Youth and Sports** - for the protection of **Copyright and Related Rights** - the government has approved the Draft Law on amending and supplementing the Law no. 04/L-065 on Copyright and Related Rights, which is in full compliance with EU Directives in this field.

Legal advices were provided to more than 100 copyright holders. In order to promote copyright and related rights, several seminars have been held in Gjakova, Ferizaj, Mitrovica and Prishtina. The second issue of the magazine "Autori" has been published. Several judges from the Court of Appeal of Kosovo, Basic Court of Prishtina - Department of Economic Affairs, and members of the Kosovo Police, Customs and the Market Inspectorate have been trained about protection of copyright and related rights. Also, several lectures have been held with students in Prishtina, Ferizaj, Mitrovica and Prizren.

Task Force against Piracy and Counterfeiting, as part of its obligations in the main centres of the country seized over 2000 (two thousand copies) of the copyrighted material and imposed fines for offenders, as well as initiated proceedings in the competent courts.

To meet obligations in the field of Culture, Youth and Sports, the following bylaws have been approved: Regulation 02/2015 (MCYS) on conditions and criteria of establishment and functioning of libraries; Regulation 03/2015 (MCYS) on revision, cleansing and de-registration of library collections and materials; Regulation No. 04/2015 (MCYS) on conditions and criteria for establishment of national and city theatre; Regulation No. 05/2015 (MCYS) on preservation and protection of library material; Regulation no. 06/2015 (MCYS) on national prize for literary life work "Azem Shkreli" and annual prizes for literature; Regulation No. 07/2015 (MCYS) on the manner of functioning, criteria and procedures of exhibitions in the gallery of the Ministry of Culture, Youth and Sports; Regulation No. 08/2015 (MCYS) on the manner of storage and usage of archival material of the Ministry of Culture, Youth and Sports; Regulation No. 09/2015 (MCYS) on subsidies in the field of culture, cultural heritage, youth and sport.

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Statutes for the subordinate institutions of MCYS: Statute of the National Ensemble of Songs and Dance "Shota", the Statute of Kosovo Philharmonic, the Statute of the National Library of Kosovo "Peter Bogdani" and the Statute of the National Ballet of Kosovo.

Administrative Instructions: on Functioning of Kosovo Olympic Committee; on establishment and licensing sports federations and associations; on establishment and registration of public and private sport clubs and Non Formal Education of Youth.

**Ministry of Public Administration** - in the context of commitments to the completion of policies and standards, in coordination with other institutions, a draft Strategy for Electronic Governance 2016-2020 and the draft regulation on the ISA's coordination with the IT offices of other institutions have been prepared. Administrative Instructions for official email account, the websites of public institutions, Administrative Instruction for hardware and software and several Administrative Instructions for the management of ICT in institutions have been prepared.

The support in offering resources is focused on providing the space for hosting hardware devices in the state data centre and giving hardware resources for use by using private cloud computing. During this year, the institutions that have hosted hardware device or given for use hardware resources at the Data Centre are: Kosovo Customs, Ministry of Finance, the Central Public Procurement Agency, the Independent Commission for Mines and Minerals, Ministry of Health, Ministry of Internal Affairs, Ministry of Environment and Spatial Planning, Ministry of Agriculture, Office of the Prime Minister, Municipality of Dragash, Municipality of Mitrovica, Municipality of Drenas, etc. In total, the hardware resources that were given to other institutions for use by data centres are 14 servers with a capacity of 5 TB of space for data storage, 192 MB RAM memory and 68 processors.

Also, the following projects have been realized during this year in the field of ICT: Empowering the national data Centre, strengthen the state network, advancing the official electronic mail system (the accounts of over 15,000 users have been transferred to the new system), migration of users from the Office Communicator to Lync, increasing the network performance in 32 institutions, dismantling the broadcaster point in Gjilan, relocation of the transmission point TSS in Golesh, increasing the network performance, implementation of Wireless and VoIP in 32 institutions, additional connection with VPN in 35 institutions, the supply of central, local and educational institutions with licensed Microsoft software.

It has continued the maintenance of electronic systems, including state network (realized 760 interventions), telephony (realized 1651 interventions), the state data centre, private infrastructure, cloud computing, official electronic mail, e-wealth, attendance system at work, Civil status system and many other application systems.

#### **Management of Government Facilities**

Through a Memorandum of Understanding, of 11 capital projects for the construction of school buildings by the Ministry of Education, Science and Technology have been transferred to the Ministry of Public Administration. Whereas, when it comes to implementation of capital projects, constructions have been completed in the Palace of Justice, whereas constructions in the MKSF are on the second phase. During this period, it continued construction of basic prosecution buildings in Gjilan, Ferizaj, Gjakova and construction of detention centres in Prishtina and Gjilan, as well as constructions of the Mitrovica University building. Similarly,

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technical investment documentation for construction of the KIPA building has been prepared and is expected the decision of the Municipality of Prishtina for permitting the location. In Lipjlan has begun the construction of the Correctional Centre.

A significant achievement is undoubtedly the accommodation of courts and prosecution offices of the state in the complex of the palace of justice, MKSF in the new building, Kosovo Customs, Ministry of Diaspora, KIPA, the Federation of Trade Union of Civil Servants, General Union of Public Administration, TAK, PRB, PPRC, the Agricultural Development Agency, a part of these subjects have been accommodated in private spaces such as Kosovo Customs and Agricultural Development Agency.

### **Registration of NGOs**

In 2015, 496 NGOs have been registered in the Department for Non-Governmental Organization, out of which 490 local and 6 International.

The national structure of the founders of NGOs is as follows: 382 NGOs have been registered by the founder of Albanian nationality, 83 Serbian Minority and 25 are multi-ethnic representatives of different ethnicities. The public benefit status has been recognized to 13 NGOs. Whereas we had three decisions for recognition of PBS and a request for PBS was rejected. During this period, a total of 254 annual reports of NGOs have been received. Out of which 201 reports with the active PBS, 27 without PBS and 11 with revoked PBS, as well as corrected 15 reports for different years. 227 NGOs were obliged to bring an annual report for 2014, out of which only 201 reports have been submitted.

26 NGOs with active PBS failed to submit a report. During the reporting period, a decision of DNGO suspended the activity of 13 (thirteen) NGOs.