



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

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**REGULATION (GRK) – NO. 21/2024 ON MANAGING BALANCED  
REGIONAL DEVELOPMENT PROGRAM<sup>1</sup>**

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<sup>1</sup> Regulation (GRK) – No. 21/2024 on Managing Balanced Regional Development Program, has been approved in the 216th Meeting of the Government of the Republic of Kosovo, with the Decision No. 06/216, dated 14.08.2024

## **Government of the Republic of Kosovo,**

Pursuant to Article 93 (4) of the Constitution of the Republic of Kosovo in accordance with Article 19, paragraph 1.1, of Law No. 08/L-190 for Balanced Regional Development, article 8, paragraph 4, sub-paragraph 4.5 of Law No. 08/L-117 for the Government of the Republic of Kosovo.

Approves:

### **REGULATION (QRK) – NO 21/2024 ON MANAGING BALANCED REGIONAL DEVELOPMENT PROGRAM**

#### **CHAPTER I GENERAL PROVISIONS**

##### **Article 1**

###### **Purpose**

1. This regulation sets out the requirements, criteria and procedures for managing financial resources program, including the funding formula, criteria, assessment, managing and monitoring of the project implementation funded by the Balanced Regional Development Program, in conformity with the documents of the relevant Ministry for Regional Development and planning and budget documents of the Government and the Ministry responsible for finances as well as for the approved budget.
2. This regulation is in compliance with EU Regulations 1299/2013, 1301/2013 and 1303/2013.

##### **Article 2**

###### **Scope**

This regulation is applicable to the Ministry responsible for Regional Development, Public Administration Institutions, Regional Development Centers, Non-Governmental Organizations, Businesses and Partners.

##### **Article 3**

###### **Definitions of expression and abbreviations**

The expressions used in this Regulation shall have the same defined by Article 3 of the relevant Law on Balanced Regional Development meaning as in the definitions.

##### **Article 4**

###### **Principles of Balanced Regional Development**

The principles used in this Regulation shall have the same meaning as in the definitions defined by the relevant Law on Balanced Regional Development.

## **CHAPTER II BALANCED REGIONAL DEVELOPMENT PROGRAM**

### **Article 5 Balanced Regional Development Program**

1. The Balanced Regional Development Program (hereinafter BRDP) is a programming document that lays down measures, activities for achieving objectives according to priorities for balanced regional development, financial resources and responsible authorities.
2. BRDP lays down the priority trends of balanced regional development through short and medium-term projects as well as their funding in order to create stable socio-economic areas within the development region based on the priorities defined for balanced regional development.
3. BRDP is a mechanism for funding and co-funding regional development projects included in this program as well as the operational plan for regional development of the developing region.
4. BRDP lays down the framework for monitoring the implementation of activities, evaluating the achievement of objectives and monitoring, evaluating and controlling the implementation of projects for balanced regional development.

### **Article 6 Structure and content of the Balanced Regional Development Program**

1. BRDP is proposed by the Ministry for a medium-term period of three years and approved by the Government.
2. The RDP can be reviewed on an annual basis during the budget planning process for each fiscal year. The revised BRDP is approved by the Government.
3. BRDP is based on the structure of public policy documents defined by the Rules and procedure of the Government and the relevant guidelines for these documents.
4. The Balanced Regional Development Program contains:
  - 4.1. Summary of the analysis of the current situation in regional development and the needs for balanced regional development;
  - 4.2. General objectives, specific objectives, as well as indicators and targets at the two levels of objectives.
  - 4.3. Measures to promote regional development
  - 4.4. Implementation activities, timelines, and implementation responsibilities.

4.5. The budget and financial resources,

4.6. Monitoring, reporting and evaluation mechanisms of program implementation.

#### **Article 7**

##### **Preparation of the Balanced Regional Development Program**

1. The Ministry responsible for regional development coordinates the process of drafting the Program for Balanced Regional Development.
2. Preparation of the BRDP is done in accordance with the rules for the preparation of public policy documents, respectively, the rules for their initiatives, the establishment of mechanisms for their preparation, the process of consultation, review and proceeding for approval in the Government defined by the Rules and Procedure of Government and relevant guidelines.
3. BRDP is drawn up in accordance with the framework for strategic planning of the Government and serves for the implementation of public policy documents, namely strategic documents at the level of the government and the relevant ministry for regional development.
4. BRDP is prepared to achieve the goals and objectives defined in the planning documents where priorities and balanced regional development programs are defined, which are prepared by the ministry responsible for regional development and approved by the Government of the Republic of Kosovo.

#### **Article 8**

##### **Funding Areas through the Balanced Regional Development Program**

1. The budget allocation is determined by the Law on budget allocation of the relevant fiscal year, which budget is divided into two economic categories: that of capital investments and subsidies and transfers.
2. The funding areas through the Program for Balanced Regional Development are defined by Article 10, paragraph 9, of the relevant Law on Balanced Regional Development.
3. BRDP includes for financing the measures and projects that address the priorities and objectives identified by the Program and have an impact on the development, advancement and promotion of balanced regional socio-economic development in the developing regions.
4. The Ministry, based on preliminary evaluations, through the guidelines for public calls for applications, determines special specifications for funding.

**Article 9**  
**Beneficiaries of the Balanced Regional Development Program**

1. The potential beneficiaries of the Balanced Regional Development Program, according to the Law on Balanced Regional Development and this regulation, are:

1.1 Municipalities as well as other institutions at the municipal level;

1.2. Regional Development Centers;

1.3. Higher education institutions and scientific-research institutions;

1.4. Civil Society Organizations;

1.5. Business;

2. The general requirements and criteria for application are determined by this regulation, while the specific criteria are determined by the BRDP as well as by the guidelines for public calls for applications.

**CHAPTER III**  
**FUNDING REQUIREMENTS AND CRITERIA**

**Article 10**  
**General funding requirements from the Balanced Regional Development Program**

1. The projects that are requested to be funded through the BRDP aim to achieve the objectives, priorities and measures defined in the policy and planning documents for balanced regional development.

2. Beneficiaries of financial support from the BRDP shall have institutional capacities, including the necessary human resources to implement the projects included in the BRDP.

3. In order to benefit from the BRDP, each region shall have established regional development centers. The condition for the establishment of centers for regional development will enter into force 3 months after the approval of the relevant Regulation for the establishment of centers for regional development.

4. In order to benefit from the BRDP, each region shall have approved the operational plan for the development of the respective region.

**Article 11**  
**Criteria for Municipalities and other institutions at municipal level**

1. The Municipalities can apply for projects within the program measures for municipal financial support for municipalities and included in the operational plan of the development region to which it belongs.
2. The municipality shall propose the project that is compatible with the general objective of the BRDP and the objectives and priorities defined in the operational plan to which they belong.
3. A project idea and the preliminary cost estimation shall be prepared by the municipalities. The project idea shall be in compliance with the existing norms and standards applicable in Kosovo.
4. From the projects which the municipality applies, it shall be evidenced that inhabitants of more than one municipality within the region to which it belongs or the other region benefit from the project.
5. The project for which the municipality applies shall be a new project and not a continuation of any other project (Not including cases where the project is carried over from the previous year funded by MRD);
6. Beneficiary municipalities must provide the minimum co-funding of projects as defined by BRDP and public calls for applications.
7. The beneficiary municipalities shall have signed the inter-municipal cooperation agreement for the establishment of the Regional Development Center within the region to which they belong.
8. Municipalities can only apply for projects which, according to the BRDP, belong to the category of capital investments.
9. Co-funding, values and detailed rules for co-funding projects are defined in harmony with the planning documents, the co-funding agreement in accordance with the rules and procedures defined by the relevant legislation.

**Article 12**  
**Criteria for Regional Development Centers**

1. Regional Development Centers can apply for projects that are implemented to enable and facilitate the implementation of their duties and responsibilities.
2. Regional Development Centers can apply for projects that are in accordance with the objectives and priorities defined by the operational development plans to which they belong and approved by the MRD.

3. The proposed projects must include the economic categories of expenses which are acceptable according to the BRDP and the instructions provided according to the calls for projects.

### **Article 13**

#### **Criteria for higher education institutions and research-scientific institutions**

1. Higher education institutions and research-scientific institutions can apply to projects that are dedicated to the development region to which they belong.
2. Higher education institutions and research-scientific institutions that apply for projects must have signed cooperation agreements with the Ministry responsible for Regional Development.
3. Institutions of higher education and research-scientific institutions which apply for projects whose main beneficiaries are their students.

### **Article 14**

#### **Criteria for businesses**

1. Businesses can apply for projects within the measures of the program for financial support for businesses.
2. To be owned by the citizen/s of the Republic of Kosovo. In case the applying business is a joint stock company, one of the shareholders must be a citizen of Kosovo.
3. Evidence that it is a business registered with ARBK and has its headquarters in the region from which they apply to benefit.
4. To be a 100% privately owned enterprise registered in Kosovo according to the Laws of Kosovo;
5. To be able to demonstrate the company's liquidity (or potential liquidity);
6. To be registered for the activities foreseen with the proposed action at the time of the application for the grant. New businesses must be registered before signing the contract for the grant for which they have been selected;
7. To be licensed if a license is required for the activity they develop;
8. To be able to demonstrate that all contributions and taxes have been fulfilled.
9. To be directly responsible for the preparation and managing of their actions;
10. Not to have gone bankrupt or to be closed, to be under court administration, to have entered into an agreement with creditors, to have suspended business activities, to have undergone procedures related to these issues, or to be in analogous situations;

11. They cannot benefit, or the persons who have authorization of representation, decision-making or control over them, have been the subject of a definitive and final judgment for fraud, corruption, involvement in a criminal organization, money laundering or any other activity of illegal, where such illegal activity is harmful to the financial interests of Kosovo;

12. They cannot be beneficiaries of more than one project until the end of their monitoring period.

### **Article 15** **Criteria for Civil Society Organizations**

1. Non-Governmental Organizations can apply for projects within the measures of the program for financial support for NGOs.

2. The participation of Non-Governmental Organizations in projects for balanced regional development is done according to the Law on Public Financial Management and according to the criteria defined by Regulation MF – NR – 04/2017 on the Criteria, Standards and Procedures of Public Funding of NGOs.

3. Non-Governmental Organizations can apply for projects in the region in which their activity is extended.

4. Not having received financial means for the same activity during the same year of application.

### **Article 16** **Specific criteria**

1. In cases of agreements between the Ministry responsible for Regional Development and donors for the funding or co-funding of BRDP projects, the minimum criteria and procedures can be harmonized according to the agreements between the Ministry responsible for Regional Development and the relevant donor/s (Specialized organizations and institutions).

2. Specific criteria can be set with the guidelines for public calls for applications from the Ministry responsible for Regional Development.

### **Article 17** **Restrictions on the selection of projects for funding**

1. The Ministry responsible for Regional Development for each public call for applications, depending on the budget category and the category of the potential beneficiary, determines the funding restrictions in cases there is:

1.1. Conflict of Interest,



- 1.2. Property disputes,
  - 1.3. Double funding,
  - 1.4. Financial obligations,
  - 1.5. Final judgment (for a criminal offense),
  - 1.6 Other restrictions set out in the call for applications guide.
2. The Ministry prepares and maintains the database of notes with annual data of projects from the sectorial fields, on which it must be based in order to verify the restrictions imposed as above.

### **Article 18** **Financial planning**

1. Financial resources of the balanced regional development in the Republic of Kosovo are:
  - 1.1. The budget of the Republic of Kosovo.
  - 1.2. Funds from the European Union and other donors
2. The process of planning financial resources are done in full compliance with the annual budget planning cycle according to the time limits determined by the relevant Ministry of Finance.
3. The Ministry responsible for balanced regional development plans the budget for funding the implementation of the BRDP through the annual budget of the Republic of Kosovo, through the Medium-Term Expenditure Framework, in line with the strategic priorities and objectives for balanced regional development.
4. The Program for Balanced Regional Development is created as a separate budget sub-program within the budget of the Ministry.
5. The distribution of the budget is done according to the measures and economic categories defined by BRDP.
6. The minimum co-funding of the total value of the projects by the beneficiaries or donor organizations will be determined by the BRDP according to the funding measures.
7. The funding of each project shall be done according to the minimum and maximum amounts that are determined by the criteria of the application guidelines.

8. The application guidelines shall specify the conditions under the Call for proposals, the amounts, the minimum and maximum percentages of costs, as well as the treatment of in-kind contributions.

### **Article 19**

#### **Methodology of allocation of financial support for developing regions**

1. The financial support for the development regions of BRDP shall be made according to the formula, which includes the components of Article 5 of the Law on Balanced Regional Development.
2. The Ministry shall issue a separate decision on development indicators based on the updated data from the relevant institutions.

## **CHAPTER IV**

### **PROCEDURES FOR THE IMPLEMENTATION OF THE BALANCED REGIONAL DEVELOPMENT PROGRAM**

#### **Article 20**

##### **General procedures for BRDP implementation**

1. The procedure for allocating financial support from the MRD will be developed on the basis of public calls and a specific call for Operational Plans.
2. The anticipated budget for financial support, the areas of financial support, the necessary documents for the application, the instructions for the application and other important information are published through the public call.
3. The public call for each financial support must be published on the website of the ministry responsible for regional development. The public call can also be published through other means.
4. In the public call, the special criteria for participation, the method of application and the procedures to be followed during the application for financial support are precisely defined.

#### **Article 21**

##### **Obligations of the parties**

The rights and responsibilities of the parties as well as the requirements and criteria for project managing by BRDP are determined by the Ministry with a Contract/Agreement, which are signed between the parties.

**Article 22**  
**Evaluation criteria of project proposals**

1. The project evaluation criteria that will be specified with the public call for application materials and the main areas of the evaluation criteria are:

- 1.1. Financial and operational capacity;
- 1.2. Relevance of the action;
- 1.3. Effectiveness and accessibility;
- 1.4. Sustainability of the project;
- 1.5. Budget and cost effectiveness,

2. In order to be pre-selected, the project shall fulfil the basic criterion – be administratively complete and achieve an evaluation by the evaluation committee of at least 50% of the points.

3. After evaluation, applications are ranked according to their scores. Applications with the highest scores will be provisionally selected until the amount of budget available for that measure.

**CHAPTER V**  
**APPLICATION PROCEDURES**

**Article 23**  
**Call for Applications**

1. All preparatory processes: drafting and consultation of the contents of the Program and Draft – Call for applications, the Ministry can carry out during the year, for the following year.

2. The Ministry publishes the Call for Applications and the guidelines for applicants, after the approval of the annual budget.

**Article 24**  
**Submission of applications**

The receipt and submission of applications are determined by the public call for applications, published by the Ministry.

**Article 25**  
**Application review and evaluation procedure**

1. During the public call for the application process, the Ministry undertakes the following steps:

1.1. The procedures for reviewing applications are:

1.1.1. Delivery of the application by the applicant to the address specified in the public call;

1.1.2. Administrative review of applications;

1.1.3. Application evaluation process;

1.1.4. First field control;

1.1.5. Approval of projects;

1.1.6. Notifying the applicant of the project evaluation result;

1.1.7. Appeal period / Right of appeal;

1.1.8. Signing of the contract between the beneficiary and the Ministry (the detailed elements are specified in the Contract/Agreement);

1.1.9. The implementation of administrative procedures is carried out according to the Legislation in force (Relevant Law on Administrative Procedures);

2. After receiving the applications, for each public call, the Ministry, by decision of the Secretary General, forms the Commission for the administrative review and assessment of the applications/projects. External representatives should also be included in the Commission for the review and evaluation of projects. The composition of the Evaluation Committee is determined by an internal act of the ministry according to the rules defined by the legislation in force.

3. The evaluation committee develops the methodology and tools for project evaluation.

4. The administrative review is completed in accordance with the Legislation in force, and according to the evaluation guide.

5. Projects, which do not pass the administrative review process, are not processed for substantive review.

6. The evaluation and scoring of acceptable applications must be carried out within 45 calendar days, except in cases where the Evaluation Commission receives approval from the Secretary General to postpone the deadline.

7. After the evaluation and scoring of the projects, the preliminary list of potential beneficiaries of balanced regional development projects is publicly announced. The announcement of the publication of the List is made through public communication.

8. The list of potential beneficiaries/selected projects is sent to the Division for Development and Project Managing in the Department for Regional Development in the Ministry for the first field

check, which should start immediately.

9. On the basis of verification visits in the field, the Report is drawn up through which balanced regional development projects are approved for funding and the final List is approved.

10. All applicants are informed about the selection or rejection of their project through no. of the protocol, which is published on the website of the Ministry (no. with which applicants are notified during the administrative assessment phase).

11. For the evaluation of the projects, the Evaluation Committee of the Ministry uses the Checklist for Acceptability and Scoring Criteria.

12. The signing of the Contract / Agreement between the beneficiary and the Ministry takes place after the approval of the Report / drawing up of the final List of beneficiaries of balanced regional development projects and the notification of beneficiary applicants.

13. After signing the Contract/Agreement, the beneficiary is obliged to start implementing the project according to the contract.

#### **Article 26**

##### **Project implementation deadline**

1. The timeline of projects implementation is up to 1 year, unless otherwise determined by the Contract/Agreement signed by the beneficiary and the Minister of the Ministry, or the authorized ones.

2. After the implementation deadline, the beneficiaries have an additional deadline for preparing the documentation and submitting the request for the last payment, as well as drafting the final report.

3. The Ministry can extend the implementation period, in case there is a reasonable and stable request for this, such as the execution of specific works, or even the bringing of any specific machinery from another country.

#### **Article 27**

##### **Payment terms and documentation required for payment**

1. The realization of the payment to the beneficiary is made according to the conditions, obligations and obligations which are defined in the Contract/Agreement signed between the parties.

2. In order to make the payment, the beneficiaries must submit the documents required according to the legislation in force, the guidelines for the implementation of the projects drawn up by the Ministry and other documents according to the specifics of the project.

**Article 28**  
**Appeal**

1. The appeal timeline starts on the day of the publication of the potential beneficiaries of the projects, and lasts according to the public call for applications.
2. The Ministry, by decision of the Secretary General, after each call for applications, or after the publication of the final results, establish the Appeal Committee, composed of three (3) members, who shall not be part of the evaluation at any stage.
3. In the decision on the formation of the Complaints Commission, the duties and responsibilities of the Commission are precisely defined.

**CHAPTER VI**  
**MONITORING, REPORTING AND EVALUATION OF**  
**IMPLEMENTATION**

**Article 29**

**Monitoring, reporting and evaluation of the implementation of the Program for Balanced Regional Development**

1. The Ministry, namely the relevant Department for Regional Development, is responsible for managing the BRDP monitoring, reporting and evaluation process;
2. The Ministry responsible for regional development will draw up periodic six-monthly and annual reports on the implementation of the BRDP;
3. The evaluation of the achievement of the objectives of the program will be done after the three-year period;
4. The monitoring and reporting of the implementation of the BRDP and the evaluation of the achievement of its objectives will be done according to the rules and methodology for monitoring, reporting and evaluation of public policy documents determined by the Government Work Regulations and the relevant guidelines for these documents;
5. For the managing and coordination of the process of monitoring, reporting and evaluating the implementation of the BRDP, the Ministry establishes inter-institutional structures.

**Article 30**

**Monitoring and Evaluation at the level of projects of the Balanced Regional Development Program**

1. The Ministry, namely the relevant Department for Regional Development, is responsible for the managing, assessment and monitoring of projects, as well as for the entire process.

2. The Ministry shall appoint the responsible official or establish a separate team for each contract related to the beneficiary, in order to monitor the implementation of the project/program as well as to evaluate the fulfilment of the objectives and the achievement of the foreseen results.

3. For the monitoring, control and evaluation of the implementation of the projects, depending on the specifics of the projects, the Ministry can engage external contractors (legal or natural persons) who offer expertise in the relevant fields. The contracting of external contractors will be done according to the relevant rules and procedures.

4. The Ministry, through its internal guidelines, may establish deadlines, forms or other methods for monitoring.

## **CHAPTER VII**

### **DUTIES AND RESPONSIBILITIES FOR THE MANAGING OF THE BALANCED REGIONAL DEVELOPMENT PROGRAM**

#### **Article 31**

#### **Ministry of Regional Development**

1. The Ministry has the following responsibilities:

1.1. Leads the preparation and review of the Balanced Regional Development Program and proposes it to the Government for approval.

1.2. It is the managing authority for the balanced regional development program of the Ministry.

1.3. Prepare periodic reports for the implementation, monitoring and managing of the Program for balanced regional development;

1.4. Prepare periodic reports for the implementation, monitoring and managing of balanced regional development projects;

1.5. Creates and maintains the database of projects financed by the Balanced Regional Development Program and prepares periodic reports.

1.6. Support municipalities in the development of capacities for the preparation of projects that are supported by BRDP, their managing within the development regions and other development actors;

1.7. In accordance with the Law on Balanced Regional Development decides on the beneficiaries of regional development projects under the Program for Balanced Regional Development.

**Article 32**  
**Municipalities**

1. Offer the necessary cooperation for the preparation, monitoring and reporting of the BRDP.
2. Cooperate with the Centers for regional development to enable the implementation of the BRDP in the regions that belong to you.
3. In accordance with the BRDP, prepare project proposals for balanced regional development for the region to which they belong.
4. Provide the data required by the Ministry responsible for regional development for the calculation of the indicators defined for the measurement of the index for balance regional development.
5. Ensure the necessary co-funding for the projects they apply for within the BRDP.
6. Engage with other institutions and other partners to ensure cooperation in the process of preparation and implementation of BRDP projects.

**Article 33**  
**Regional Development Centers**

Support the Ministry responsible for Regional Development in the process of drafting the program for balanced regional development in accordance with Article 8 of Law No. 08/L-190 on Balanced Regional Development.

**CHAPTER VII**  
**TRANSITIONAL AND FINAL PROVISIONS**

**Article 34**  
**Reporting**

1. Each beneficiary who has a Contract/Agreement with the Ministry has the obligation to report as defined by the Contract/Agreement.
2. Every year, no later than March 31, the Ministry reports to the Office of the Prime Minister regarding the implementation of the Balanced Regional Development Program for the previous year.



**Article 35**  
**Implementation**

1. For the implementation of the Regulation for the Managing of Balanced Regional Development Program, the Ministry shall prepare guidelines for each call separately.
2. The current rules of support for projects that are in the procedure will be applied until the approval of the Program and operational plans for balanced regional development, as well as the entry into force of the regulation for regional development centers.

**Article 36**  
**Abrogation**

This Regulation abrogates Administrative Instruction (MZHR) NO. 01/2022 for the amendment and completion of UA (MZHR) NO. 01/2018 amended and supplemented by UA No. 02/2018 for the conditions and criteria for supporting new businesses/entrepreneurs from the Program for Balanced Regional Development.

**Article 37**  
**Entry into force**

This Regulation enters into force seven (7) days after publication in the Official Gazette of the Republic of Kosovo.

**Albin Kurti**

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**Prime Minister of the Republic of Kosovo**

**30 August 2024**