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Qeveria -Vlada-Government

**Second Input of Institutions of the Republic of Kosovo to the
European Commission 2015 Kosovo Country Report**

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Introduction

The Government of the Republic of Kosovo expressed its readiness to submit data for this period to the 2015 Progress Report, expected to be published by autumn. Therefore, the present report contains key developments in Kosovo from 1 May to 31 August 2015 with regard to the EU accession process. The report has been prepared based on the data provided by all the line institutions in charge of the respective areas.

The data contained in this report focus on the progress made during the reporting period in terms of:

- Adoption of legislation and policy documents and their implementation;
- Implementation of institutional reforms;
- Strengthening institutional capacities;
- Measures undertaken to fulfill the 2012 Feasibility Study midterm benchmarks;
- Implementation the 2014 SAA Action Plan;
- Implementation of the 2015 APPR; and
- Implementation of conclusion of SAPD meetings held during 2015.

In terms of its structure, this second input corresponds to that of the Progress Report. It is divided into three main sections: Political Criteria, Economic Criteria and European Standards. It also contains annexes that are provided as separate documents.

As part of the framework of reporting under the first input, submitted in April 2015, this input contains updated data on developments during the reporting period in the eight pilot areas on which it was then reported separately, in line with the EC Reporting Guidelines for the 2015 Enlargement Package. It also provides an update on developments during this period towards meeting the 2012 SAA Feasibility Study midterm benchmarks.

1. POLITICAL CRITERIA
1.1. Democracy and the Rule of Law
1.1.1. Legislature and Elections

On 3 August 2015, the Assembly of the Republic of Kosovo has adopted the constitutional amendments allowing for adoption of the following laws:

- Law No. 05/L-053 on Specialist Chambers and Specialists Prosecutor's Office (3 August 2015);
- Law No. 05/L-054 on Legal Protection and Financial Support for Potential Accused Persons in Trials before the Specialist Chambers – approved on 3 August 2015.

The subsequent laws have been decreed by the President of the Republic on 20 August 2015 and published in the official gazette of the Government.

The adoption of the constitutional amendments and the Law 05/L-053 on Specialist Chambers and Specialist Prosecutor's Office in the Kosovo Assembly is a step forward in the provision of the necessary legal framework to set up a new special court for addressing serious allegations against Kosovo Liberation Army ex-guerrillas, stemming from a 2014 Council of Europe report. Additionally, the Law on Specialist Chambers and Specialists Prosecutor's Office establishes and regulates the organization, functions and jurisdiction of the Specialist Chambers and the Specialist Prosecutor's Office. Whereas, the Law 05/L-054 on Legal Protection and Financial Support for Potential Accused Persons in Trials before the Specialist Chambers aims to offer legal protection and financial support of potential accused persons in court proceedings and procedures related to the alleged crimes before the Specialist Chambers.

During the reporting period, the Assembly of Kosovo has adopted 23 laws, as presented in table 1 below.

On 20 May 2015, the Budget and Finance Committee reviewed the quarterly expenditure report for year 2015 and recommended it to the Presidency of the Assembly, with the latter approving the report. During the reporting period, the Budget and Finance Committee has also reviewed two (2) annual work reports and five (5) financial annual reports of independent institutions/agencies.

The preparation of the draft Budget of the Assembly for 2016 and financial projections for years 2017-2018 was done in accordance with procedures established by the Law on Public Financial Management and Accountability. Moreover, on 4 May 2015, the Presidency of the Assembly has approved the 2016-2018 Medium Term Expenditure Framework of the Assembly.

During the reporting period, boards of the following independent institutions have been completed:

- Ombudsperson Institution (Ombudsperson appointed);
- Public Procurement Regulatory Commission;
- Independent Media Commission;

On the other hand, out of all independent institutions whose boards the Assembly is in charge of completing, the following will be completed by the end 2015:

- Kosovo Cultural and Heritage Council;
- Constitutional Court (two judges);
- Office of the Auditor General (the position of the Auditor General, finally promulgated by the President); and
- Radio-Television of Kosovo.

The following independent institutions whose boards are proposed by the Government and adopted by the Assembly are to be completed by the end of the year 2015:

- Free Legal Aid Agency;

- Bar Exam Committee;
- Central Bank of Kosovo;
- Civil Aviation Authority;
- Energy Regulatory Office;
- Kosovo Competition Authority;
- Kosovo Judicial Institute;
- Kosovo Pension Savings Trust;
- Kosovo Property Agency;
- Privatization Agency of Kosovo;
- Procurement Review Body;
- Public Procurement Regulatory Commission;
- Railway Regulatory Authority;
- Regulatory Authority of Electronic and Postal Communications; and
- Water and Wastewater Regulatory Office.

In terms of administrative and legislative *capacity building*, during the reporting period, the Assembly held 10 trainings for the officials of the Assembly in the following areas: functioning of state administration in the Republic of Kosovo, Monitoring and assessment of IPA funds, right of access to information in public records, planning and managing of projects, implementation of job catalogue in civil service, administrative management, communication process, drafting of reports, ISO 27001 on information security management systems. Additionally, the Assembly envisaged the recruitment of 11 officials from different backgrounds.

During the reporting period, the Committee for European Integration invited five (5) ministers for reporting, namely:

- Minister of European Integration to report on European Integration Process and Visa Liberalization Process;
- Minister of Internal Affairs - Visa Liberalization Process and Illegal Migration;
- Minister of Justice - Implementation of reforms in the justice system in Kosovo, the structured dialogue on the rule of law in Kosovo, and on EULEX mandate;
- Minister of Trade and Industry - Challenges deriving from the Progress Report for Kosovo in the area of trade and industry
- Minister of Public Administration - Public Administration Reform (PAR) and challenges deriving from the Progress Report for Kosovo in the area of PAR.

Furthermore, on 25 June 2015, the 2014 Report of the Ombudsman was approved by the Assembly.

1.1.2. Executive

On 3 June, 2015, the Government adopted the Strategy for Improving Planning and Policy Coordination with the decision No. 05/32. The main goal of the strategy is to improve the planning and policy coordination, to avoid fragmentation and duplication of policies and finances at the central level. The focus is on the Strategic Planning Framework and the Budget Planning Framework.

On 25 August 2015, Kosovo and Serbia reached agreements on energy, telecommunications, and establishment of an Association/Community of Serb Municipalities, as well as on the Freedom of Movement on the Mitrovica Bridge. Under the agreed plan, ten (10) municipalities with a Serb majority will have their own assembly with an elected president, and with their own flag, but will be subject to Kosovo law. The agreement on the establishment of the association was part of the Brussels agreement signed in 2013 by Serbia and Kosovo to normalise relations amongst the two countries.

As the primary institution to coordinate and monitor the process of concept documents, the Government Coordination Secretariat (GCS)/OPM approved 15 concept documents, out of a total of 56 documents planned for 2015. To this end, in the next 2 quarters the remaining concept documents are planned to be approved.

With regards to regional obligations, on 20 May 2015, the government took the decision No. 02/30, approving a strategic document "Vision of Kosovo for Skills 2020" with its guideline, measures and indicators and established an inter-ministerial group (Ministry of Labour and Social Welfare and the Ministry of Education, Science and Technology) responsible for the implementation of it. This strategic document was drafted under the coordination of the OSP/OPM, and in close cooperation with the European Training Foundation (ETF).

In terms of the capacity building, during the reporting period, the OSP/OPM has initiated the recruitment procedures and thus far it employed an Official for Policy Planning.

In the framework of the visa liberalization process, on 4 June 2015, Kosovo institutions submitted its third Readiness Report on Addressing Recommendations arising from the EC Progress Report II in the fulfilment of the EU Roadmap towards a Visa-Free Regime with Kosovo. Following the submission of the visa readiness report, in July 2015 was conducted the third visa liberalization fact-finding mission on assessment of the fulfilment of criteria deriving from free visa regime roadmap.

During 13-16 July the four first blocks on requirements related to readmission and reintegration, document security, border and migration management, and public order and security were assessed. While on 6 and 14 July criteria for block 4: fundamental rights and freedom of movement were assessed. During this mission, a total of 28 meetings and 16 visits were conducted, including visits to border crossings in the central municipalities and other institutions. As a result, the third visa mission assessment was successfully concluded.

There has been progress during the reporting period on coordination of EU accession process. In this regard, given the expected entry into force of the Stabilisation and Association Agreement, all Kosovo institutions have been involved in drafting the first National Programme for Adoption of the EU Acquis. This process is being carried out under the coordination of the Ministry of European Integration, in cooperation with counterparts of the Croatian Ministry of Foreign and European Affairs. Following preparations focusing on the structure of this document, as well as approach and methodology for its drafting (launched in January 2015), the Government adopted its Decision No. 06/22 on Preparation of the Republic of Kosovo National Programme for Adoption of the EU Acquis (NPAA) on 3 April 2015. This decision sets out NPAA's structure, as well as institutional responsibilities and timeframe for its drafting. It also provided for detailed guidelines for preparation of this document, which were drafted by the MEI and used by all line institutions in this process. In parallel with drafting process, the MEI is also working on developing an NPAA monitoring and reporting system.

Pursuant to this decision, the NPAA will cover all chapters of the acquis; yet it will prioritize the areas with specific acquis compulsory timeframe for full acquis transposition under the SAA. It will consist on three blocks: Political Criteria, Economic Criteria and European Standards: Approximation of Kosovo's Legislation to the EU Acquis (the latter covering 32 acquis chapters, with the remaining three [chapters 33, 34, and 35] to be included in due course), further subdivided in chapters. Given that the NPAA will be a midterm planning document, its content under each chapter will set out short-term measures (covering 2016) and midterm priorities (covering 2017-2020). Furthermore, it will set out legislative and implementation measures, the former subdivided into primary and subsidiary national legislation transposing the EU acquis, and the latter into three subcategories (oriented towards implementation and enforcement of the acquis transposed): policy framework, institutional reforms and capacity-building, and implementation and enforcement. The Programme will be revised at the end of each year. In addition

to SAA provisions, the NPAA will also address the SAA Feasibility Study midterm benchmarks in the respective eight areas, as well as annual progress report findings and conclusions of SAPD meetings.

Following the formal launching of the NPAA drafting process in April, in a meeting of the Ministerial Council for European Integration, the first drafts of chapters were prepared by line institutions in mid-July, further consolidated by mid-August. As foreseen by the timeframe set out in the Government decision, public consultations on this consolidated draft will be conducted during September. This will be followed by reflection and incorporation of the Kosovo 2015 Country Report findings into the draft-NPAA, in October. Finally, the draft-NPAA will be submitted for adoption by the Government and the Assembly of Kosovo, and adopted no later than the end of 2015. As previously, the NPAA will also be submitted for formal comments by the European Commission before it is finally adopted.

During the reporting period the Department of EU Law/MEI has issued opinions on the following draft-laws:

Table 1: List of legal opinions on approximation of national draft-legislation with the EU acquis issued by the MEI (June - August 2015)

No.	Title of draft-legal act	Date of issuance
1.	Draft-law on Administration of Sequestered or Confiscated Assets	09.06.2015
2.	Draft-law on Normative Acts	24.06.2015
3.	Draft-law on Industrial Designing	25.06.2015
4.	Draft-law on Trade of Petroleum Products and Renewable Fuels in Kosovo	29.06.2015
5.	Draft-law on Forensic Medicine	13.07.2015
6.	Draft-law on Pension for Police Officers of Kosovo and Kosovo Police Inspectorate Investigators	12.08.2015
7.	Draft-law on Higher Education in the Republic of Kosovo	20.08.2015
8.	Draft-Administrative Instruction for Guidelines and Clinical Protocols	09.06.2015
9.	Draft-Administrative Instruction on General and Specific Hospital Conditions	07.07.2015
10.	Draft-regulation No. 01/2015 on Administrative Review of Municipal Acts	07.07.2015
11.	Draft-Administrative Instruction on Organizing of the Education Process and the Selection of Teachers in Countries where Kosovar Diaspora Live and Work	18.08.2015

MLGA has drafted a draft-Administrative Instruction for convening the meetings of Municipal Assemblies; and the draft-Administrative Instruction for the amendment of Administrative Instruction No. 05/2013 on transparency in municipalities. Confirmation letters were sent to line ministries regarding the harmonization of these draft acts with the applicable legislation for local self-government. Moreover, during the reporting period, MLGA received 16 draft-laws, 19 draft-Administrative Instructions, 4 concept-documents and 4 draft-regulations for consultation.

The Municipal Assemblies have adopted 367 acts, of which 20 regulations and 347 decisions. In line with its legal mandate, MLGA monitored 121 meetings of the Municipal Assemblies (114 regular meetings and 7 extraordinary meetings). To note, the majority of these meetings has been done via local TV and radio broadcasting and through the official websites of the municipalities where videos of the meetings are made available.

MLGA assessed a total of 162 acts, confirming their legitimacy, while it transmitted 205 acts to the respective sectoral committees and responsible ministries to assess their legitimacy. Also, MLGA has received 25 complaints from citizens and institutions. In reviewing the legality of the municipality acts, MLGA found that one (1) municipal act was not in accordance with the law, whereas the sectorial ministries found that 8 municipal acts are not in accordance with the law. As a matter of fact, the

responsible institutions are working closely with each other to review the legality of these unlawful acts in order to harmonize them according to the laws in force.

From April to July 2015, 34 municipalities held 156 public meetings with citizens. Additionally, 29 municipalities reviewed 188 requests for access to public documents. Also, up until June 2015, the audit reports for 38 municipalities were published by the General Auditor, covering the period from January to December 2014.

Regarding the implementation of legal obligations, MLGA monitored 34 municipalities and drafted the preliminary reports which reflect the state of implementation of the legal obligations of municipalities.. Notably, Kosovo Investigative Reporting Network (BIRN) assessed MLGA as the most transparent institution in the context of providing information to media, as foreseen by the Law on Access to Public Documents. During the reporting period, MLGA has received six requests for access to public documents (two from journalists and four representatives of civil society) and the relevant information was provided to the interested parties according to the law in force.

In regards to presentation of its activities, MLGA provided the media with 11 information of interest and due to the satisfaction shown by the journalists; MLGA provided the media with an additional of 37 answers on topics of public interest. In its official website, MLGA published a total of 154 types of information, including documents such as: legal advice, letters of assessing the legality of municipalities, and daily activities of the Ministry that are implemented according to the work plan of MLGA.

Moreover, in the context of public transparency, MLGA published 12 announcements and releases concerning the process of public procurement, 5 calls for proposals for NGOs in the framework of promoting the local governance, and two draft-Laws for public discussion.

With regards to the capacity building at the local level, MLGA has organised specialised trainings presented as follows:

Table 2: Capacity-building sessions organized by MLGA for Municipalities

Public Procurement Regulatory Commission	PPRC
Training on: "Project Cycle Management (PCM) - Trends, challenges and opportunities for improvement."	16
Three (3) workshops on: "The municipal budget, public funds and planning, management and execution."	Not specified
Training on "Increasing of efficiency and capacities of Zvečan and Zubin Potok municipalities"	2
Trainings on "The role of the Assembly members and the Budget Process" and, "OSR trends, challenges and opportunities for improvement"	3
Under the support of USAID, training on "Communication, civic participation and the role of civil society".	
Workshop on: "The role, responsibilities and challenges faced by the offices for community and return, and opportunities in strengthening these offices."	16
Workshop on: "Own revenues: Trends, challenges and recommendations for increasing revenue."	Not specified
Meetings with international donors and organizations regarding "Technical assistance and capacity building at the local level."	Not specified
Five (5) meetings were held with the Regional Development Agencies with the aim of presenting the structure of Municipality Integrated Plan, a plan which facilitates and improves significantly the strategic development and management of municipal services.	Not specified
Series of meetings were held with donors such as UNDP, GIZ and OSCE, with the aim of cooperation and offering of support as regards the implementation of tasks deriving from the European agenda, specifically trainings related to the process of European integration.	Not specified
In cooperation with KIPA, six (6) trainings on: "Public Finance Management", "Municipal Transparency", "Techniques for drafting of legal acts according to required standards", "European Union and Integration Process", and " Cross-border Cooperation".	Not specified
In cooperation with USAID, AKT, DEMOS, three (3) workshops on "Project Cycle Management", "Community Rights, the legal framework and institutions "and "Municipal Transparency: Challenges and opportunities for improvement". Trainings on "Strengthening the inter-ethnic cooperation, creating job opportunities and a better business environment. Improving the municipality services to citizens"	3
Under the support of USAID, MLGA organized a workshop on "Advocacy and preparation of projects"	16
Under the support of the programme "Advancing Kosovo Together" and the domestic NGO "Movement for Peace Network", MLGA organized a workshop on: "Finalizing the Plans for Municipal Offices for Community and Return and the Committee for Communities"	4
Under the financial support of USAID, MLGA conducted a capacity needs assessment of local government and compiled 16 municipal plans for capacity building in 16 municipality partners.	16
In cooperation with the Slovenian government, MLGA has designed the training program for municipal officials dealing with issues of regional development and European integration.	Not specified
In cooperation with the EU Technical Assistance (supervision of EU projects for infrastructure), project management trainings were organized for municipalities, with the main focus on managing of projects that are funded by the European Commission.	17
Reports, field visits, and additional projects secured under the continuous support of donors:	
TAIEX support for two projects, namely 1). study visit on best practices for landfill waste, and 2). Development of Waste Management Plans	
Application for TAIEX entitled "SAA implementation at the local level"	
Application for TAIEX entitled "Implementation of the legislative package on human rights at the local level"	
Application for TAIEX entitled "Study visit on best practices in landfill waste and "Development of Waste Management Plans	
Application for the project entitled" Price EPSA in the public sector"	
"Report on the Municipal Action Plan for SAA - April to June 2015"	
Report on general monitoring of official web-pages of municipalities (January-June 2015)	
Report on access to public documents for the municipalities (April-June 2015)	
"Report on the progress achieved from MLGA and municipalities as regards the Progress Report of European Commission for Kosovo, August 2014 - April 2015"	
"Reporting on the areas of: Public Administration Reform (PAR), Fight Against Corruption and Fundamental Rights"	
SAPD reporting in the following areas: environment, transport, energy and regional development.	
In June 2015, based on the 2015 Plan of Visits to the Municipalities, MLGA completed a series of visits in 38 Kosovo municipalities in order to address all obligations deriving from the European agenda, including: Dialogue of the Stabilisation and Association Agreement (SAPD), Action Plan for the Stabilisation and Association Process (APSAP), Roadmap on Visa Liberalization and challenges arising from the Annual Progress Report.	
In cooperation with UNDP and USAID, MLGA is in the process of drafting "The Mosaic", a document which will reflect the citizens' opinion poll concerning the provision of public services from local governments.	

In line with the MLGA budget for capital investments (co-financed by IPA) for municipalities, 30 projects, amounting 1,801,068.57 EUR are under implementation (covering the following areas: sewerage, roads, water supply, lighting, education), while 386,376.00EUR remain in disposal for distribution.

Regarding the decentralization process in municipalities, during the reporting period, MLGA continued to monitor and work closely with the municipality of Mitrovica North, Zubin Potok, Zvečan and Leposaviq. During the reporting period, MLGA has drafted individual plans for these municipalities regarding their obligations that derive from the European agenda. Also, annual plans (2014) with respect to line ministries' investments in these four municipalities were drafted.

During the reporting period, MLGA coordinated the investment activities for the municipalities of Mitrovica North, Zubin Potok, Zvečan and Leposaviq with seven (7) line ministries (MEI, MH, MLSW, MCYS, MESP, MCR, and MEST). As a result, MLGA managed to sign 76 MoUs worth 9,506,068.00EUR .

With the aim of implementing the Brussels Agreement, MLGA drafted the necessary documents related to the establishment of the Association of Serb Municipalities and the negotiations process is ongoing. To this end, during the reporting period, MLGA officials have held six meetings in order to implement the obligations deriving from the Brussels Agreement and other sectoral agreements. In order to promote the local governance in the northern municipalities of Kosovo, MLGA opened a call for application under the project entitled "Advancing together the local government in Kosovo", a process that benefited 10 NGOs with the grants totalling the amount of 84,000.00 EUR .

To increase the cooperation between the institutions of the Government of Kosovo and the civil society, 21 municipalities have allocated budgets in the amount of EUR 59,046.25 to finance the activities of CSOs, while 15 municipalities have still not allocated the necessary budget to finance the activities of CSOs. The number of implemented projects in 21 municipalities totals 160.

In March 2015, MLGA functionalized the electronic data base for the identification of trainings from all MLGA and finalized the guidelines for the use of this data-base. Also, on 31 July 2015, MLG has drafted the intensive training program for municipal officials for European integration.

Finally, the number of training sessions held by MLGA in 36 municipalities is 189, with 278 municipal officials attending these trainings.

1.1.3. Public Administration

On 23 June 2015, the Ministry of Public Administration (MPA) has finalized the 2015-2020 Strategy on Modernisation of Public Administration in Kosovo and its 2015-2017 Action Plan. This strategy sets strategic goals and policies that the government of the Republic of Kosovo intends to achieve in the next medium-term period, with the aim of improving the functioning and modernisation of public administration, fulfilling its legal obligations and improving the administrative delivery of public services. The strategy has a financial impact prediction of approximately 9 million EUR os. Moreover, it consists of the following three pillars:

- Development and coordination of policies and legislation;
- Civil service, human resources management, public services delivery and administrative re-organization and accountability;
- Public Financial Management.

Also, following the conclusions of the EU/Kosovo Special Group on PAR held on 1 June 2015 on the structure of EC assistance, on 30 June 2015, MEI finalized the Sector Planning Document (SPD) on "PAR Sector". The SPD on PAR comprises the work of organs leading horizontal management systems from the first 5 chapters of SIGMA's Principles of Public Administration, excluding those responsible for Chapter 6 (Public Financial Management - PFM), which will be dealt with separately in another SPD by the fourth quarter of 2015, after completion of the on-going PEFA assessment.

In terms of capacity building, during the reporting period, MAP in cooperation with Kosovo Institute for Public Administration (KIPA) trained a total of 613 civil servants, with 31 training modules consisting of 107 training days. Based on the classification system of the civil service, the participants taking part in these trainings were as follows: 108 participants or 17.61% from the management category, 469 or 76.50% from the professional category, and 36 or 5.87% participants representing the administrative category. The trainings were organized for: General Management, Administration and Legislation, Human Resources, Budget and Finances, Informative Technology, Local Government issues, European Union issues. Participants in the training were from the central and local level of the public administration where civil service is spread upon.

With regard to the activities of DISPMGB, it must be pointed out that the following are the projects that started on May 2015 and are continuing, including:

- Construction of the Basic Prosecution Office in Gjilan, and
- Rough Construction Works- Lot 1 of the University of Mitrovica.

With regards to securing the enforcement of decisions of the Independent Oversight Board for the Civil Service of Kosovo (IOBCSK), a total of 48 decisions were issued by IOBCSK for 25 Municipalities of the Republic of Kosovo, out of which 21 municipalities have implemented the decisions of IOBCSK, whereas 4 municipalities have not implemented these decisions. Also, 11 municipalities have had no decisions issued by the IOBCSK for the reporting period.

On the issue of the new premises, the Ombudsman is still located and operates from the private premises which are deemed as unsuitable for work and shortly running out of contract. It was expected, based on a decision issued by the MPA on 11 December 2012 for the staff of Ombudsman to be relocated in the new premises, those in which Constitutional Court of Kosovo is still operating. The Ombudsman repeats that the Government should ensure a long-term solution for its institution regarding the offices, obligations which are explicitly stated in the new law on the Ombudsperson, including the application of other international standards.

Regarding the working space of Ombudsman in municipalities, the municipality of Prishtina, Prizren, Gjilan, Peja, Ferizaj and Gjakova have already secured the necessary work space for the Ombudsperson. It is worth mentioning that these premises are accessible also to disabled persons. Meanwhile, the Municipality of Mitrovica and the sub-division in Northern Mitrovica have secured the work space for the Ombudsperson, but it is partially accessible to disabled persons. The Municipality of Graçanica still has not secured the work place for the Ombudsperson, however it secured the access for disabled persons to its local institutions. Nevertheless, according to Ombudsman, there are many municipalities that face problems with regards to the easy access, especially for disable persons and the elder, as well as regarding the insufficient space for hearing claimants, making it impossible to respect the principle of confidentiality.

1.1.4. Civilian Oversight of Security Forces

With the aim of strengthening the oversight of Kosovo Security Forces and the overall security sector, the Assembly Committee on Security Issues has held five (5) meetings, whereby inviting the Commander of Kosovo Security Forces (KSF), the Minister of SF, Minister of Interior, Director General of Kosovo Police and other agencies operating in this sector for reporting hearings. And, in order to check the functioning of these institutions from close, the Committee has been engaged in two (2) on-site visits, with one being a work visit in the Rapid Reaction Brigade/KSF in Istog, and the other being in Kosovo Academy for Public Safety (KAPS).

The Committee on Security Issues is in the process of monitoring the implementation of the Law No. 04/L-076 on Kosovo Police, and the report with recommendations is expected to be discussed in the upcoming autumn session of Kosovo Assembly.

Also, it should be noted that President and the Prime Minister of the Republic of Kosovo, appointed the new director of the Kosovo Intelligence Agency (KIA) and the new Inspector General of the KIA.

1.1.5. Civil Society

As the secretariat of the Council for implementation of the strategy, OGG has prepared a report covering the 6 months of the implementation of the Action Plan of the respective strategy and Council, and launched it in July 2015.

As parts of implementation of the Government Strategy for Cooperation with Civil Society 2013-2017, the Ministry of Finance (MF) and Team III of the Council responsible for the implementation are working in defining the criteria for the award, and implementation of grants from public funds. As for the area of the public procurement, the draft-law on Public Procurement was included in the Government's Legislative Programme for 2015.

As regards the trainings held for determining the national scheme of grants for CSOs, OGG with the support of Technical Assistance for Civil Society Organisations, during 22-25 May 2015, organized a workshop covering the strategic objective III on "Established system and determined criteria for financial support of CSOs". The purpose of this workshop was to determine the model of the Country Team for National Grants Scheme with a direct reference to best models for public funding of NGOs from the region and Europe.

1.1.6. Judicial System

Regarding the advancement of the *legal framework* in the area of judiciary, the package of four Judicial Laws (Law No. 03/L-199 on Courts, Law No. 03/L-223 on Kosovo Judicial Council, Law No. 03/L-224 on Kosovo Prosecutorial Council, and Law No. 03/L-225 on the State Prosecutor) was approved by the Assembly on 28 May 2015. This package will bring significant changes and the deepest reforms in the justice system in Kosovo regarding the harmonization of the criterion for appointment and dismissal of judges and prosecutors as well as ensuring the independence of judiciary with regard to the budgetary independence.

More specifically, the following are the changes for each amended law:

1. Law amending the Law No. 03/L-224 on Kosovo Prosecutorial Council.

The main amendments provided by this draft-law relates to the independence and functionality of the prosecutorial system in general and Kosovo Prosecutorial Council in particular:

- Provides independence in general, functional independence regarding the composition of the Council in particular. The Council is composed of 13 members, the majority (10) of the members come from among prosecutors from all levels. The Chief State Prosecutor and the Minister of Justice as an ex-officio member as he was so far, will no longer be a member of the Council. The other three members who are not prosecutors will be elected by the Assembly by a secret ballot. The Council will appoint the Chairperson of the Council from among the prosecutors. The Chairperson of the Council suspends the State Prosecutor's position as a prosecutor who he served before his election as a chairperson of the Council;
- The Council will adopt the compensation scheme of the members of the Council, which does not exceed 25% of the basic salary excluding the Chairperson and Vice-Chairperson;

- The Council shall have budgetary independence, in addition to budget management. The Council, as of entry into force of this draft law, shall draft its budget proposal, and submit it for adoption to the Assembly of the Republic of Kosovo;
- This draft-law provides the establishment and operationalization of the Prosecutors Performance Assessment Committee, to function within the Council, and it will consist of experienced prosecutors with high professional and personal integrity, to assess the prosecutors performance. The Committee assessment will serve as a ground for promotion or demotion of prosecutors and for dismissal of the State Prosecutor;
- Prosecutors, based on this law, are subject to performance assessment at least twice upon their initial term, first performance assessment shall take place following initial training, and second assessment shall take place upon ending of the initial term. Performance assessment of prosecutors with permanent term shall take place every three (3) year, in such a manner that, after the entry into force of this law, the Council determines 1/3 of prosecutors by lot, within each prosecution, as the first group who will be subject to performance evaluation within 3 months. The same lot will be held after one (1) year to assign certain prosecutors who will take part in the second and third group after two (2) years. Criteria for evaluation during the initial term will be specified with regulations issued by the Council;
- Permanent Committees functioning within the Council are: Committee on Normative Matters, Committee on Budget, Finance and Personnel, Committee on Administration of Prosecution Offices, Disciplinary Committee, and Prosecutors Performance Assessment Committee;
- Judicial protection of the rights: it is foreseen that the Council Decisions shall be final and one can file an administrative appeal before competent Court. Whereas the decisions related to the proposal for appointment, re-appointment, transfer, promotion, and disciplinary measures are to be appealed directly to the Supreme Court;
- Administration of Prosecutorial system: shall function within the Prosecutorial Council, since only this way there will be an alignment between the prosecution offices administration and other administrations within the judicial system, namely within the Judicial Council.

2. Law amending the Law No. 03/I-223 on Kosovo Judicial Council

This draft law provides as follows:

- Additional powers to the Council for issuing Regulations on functioning of the judicial system, procedures of the process of selecting judges as well as other Regulations in regards to the scope of the Council;
- Ensures that the Council members shall not benefit from the position of being member of the Council when it comes to promotion;
- Similar to Prosecutorial Council, one of the most important aspects of judicial independence is also the financial independence, upon budget proposal and management; propose its budget directly to the Assembly;
- In order to increase the efficiency and professionalism, this draft law clarified provisions associated to the potential dismissal of Council members in case of failure to perform their duties, or perform in contradiction with the Constitution and the Laws;
- Similar to Prosecutorial Council, this draft-law provides the establishment Judges Performance Assessment Committee, to serve as a ground for promotion or demotion and for dismissal of judge.
- Aiming at meeting European standards, this draft law introduced several provisions on statutory limitation on disciplinary measures, as well as the opportunity for appealing the Decisions on dismissal and disciplinary action, to the Supreme Court;
- The procedure for electing members of the Judicial Council by the Assembly, as defined by the relevant provisions of the Constitution, begins six (6) months before the expiry of his/her mandate. Assembly of Kosovo publishes the vacancy for electing Board members. After interviewing procedures, the Commission shall prepare a narrow list of candidates. The list contains two (2)

candidates for a position. Assembly of Kosovo in secret ballot elects the members of the Judicial Council;

- Heads of Courts and the President of the Bar Association shall not be a member of the Kosovo Judicial Council. A member of the Council from Kosovo Bar Association cannot have the position of Ombudsman during the same time of being a member of the Council;
- Judges, based on this law, are subject to performance assessment at least twice upon their initial term by the Judge Performance Assessment Committee, first performance assessment shall take place following initial training, and second assessment shall take place upon ending of the initial term. Performance assessment of judges with permanent term shall take place every three (3) year, in such a manner that, after the entry into force of this law, the Council determines 1/3 of judges by a lot, within each court, as the first group who will be subject to performance evaluation within 3 months. The same lot will be held after one (1) year to assign certain prosecutors who will take part in the second and third group after two (2) years.

3. Law amending the Law No. 03/I-225 on the State Prosecutor

Also this draft-law on State Prosecutor provides a range of amendments, as follows:

- The provisions associated to the work and the functioning of the Chief State Prosecutor are redrafted, thus clearly providing the powers of the Chief State Prosecutor as the head of Prosecutorial system. In regards to ensure an efficient system, this draft law provides the possibility of issuing instructions and guidelines on rules and procedures of prosecutors, as well as the possibility of receiving and transferring the cases from one prosecution office to another, in order to ensure efficiency and impartiality;
- Aiming at aligning with the Law on the Court, the provisions are met on organization and clear definition of prosecution levels and setting of exercise functions within these levels of state prosecutor are amended-supplemented;
- In order to improve the efficiency and performance, several provisions are foreseen that allow the subordination and competencies of the Chief Prosecutors within that prosecution office inter alia also the transfer and reassignment of cases;
- One of the main amendments under the Law on State Prosecutor is related to the appointment of the new prosecutors. Pursuant to the EU request, the draft-law provides more flexible criteria for becoming a prosecutor, and the alignment with the criteria for judges. Also provides more facilitated procedures on selection of prosecutors, and an increased role of the Council. This is done pursuant to European standards and by taking into account the needs and the obstacles on the ground, in order to increase the number of new staff to the judicial and prosecution system;
- Similarly, the same is done on the alignment and flexibilization of the criteria for promotion within the prosecution system based on prosecutor's performance;
- Also, the prosecutors dismissal procedure, in case of failure to fulfil duties and obligations provide by law are specified.

4. Law amending the Law No. 03/I-199 on Courts

With the special emphasis, the provisions of this law provide as follows:

- Terms and conditions for appointment of the candidates for judges (general and specific terms) in compliance to the terms and conditions provided by relevant legislation of the countries in the region and beyond. In this context, the criterion for appointment of prosecutors and making the criterion for judges more flexible is harmonised, with a view to promoting new staff to become part of the system;
- Also, the criteria for promotion to the highest levels within the court system are harmonized and more flexible. This promotion, as previously mentioned, shall be based on the assessment of judge's performance;
- Within the Department for Commercial Matters within the Basic Court of Prishtina, the Division on disputes involving foreign investors will function, with jurisdiction throughout the territory of Kosovo;

- In order to ease the burden of some courts is provided the establishment of the Basic Court in Fushë Kosovë for the municipality of Fushë Kosovë and Obiliq, and the Junik branch for Municipality of Junik as well as the branch of Shtime for the Shtime Municipality;
- One of the most important amendments is the obligation to publish the court final judgements, with the aim of improving the transparency of the courts;
- New provisions related to the professional associates, interns, interpreters and court experts, which are foreseen to be regulated by relevant regulations of the Kosovo Judicial Council.

In order to increase the efficiency of the judiciary, during the reporting period, KJC adopted the following sub-legal acts:

- Regulation on internal organization, activity and systematization of the jobs of KJC Secretariat;
- Regulation for organizing and functionalizing of the unit for judicial performance review;
- Regulation on determining the rules and procedure for organising the exam for candidates for judges within the minority communities.

Additionally, KJC claims that in order to ascertain further independence and compliance with the Venice Commission recommendations on the permanent mandate of judges, there needs to be changes to article 105 of the Constitution of the Republic of Kosovo where paragraph one states that the initial mandate for judges is three years and in case of reappointment the mandate will be permanent until pension, unless the judge is legally discharged from their position. Yet without these Constitutional changes the Judiciary remains stagnant in this regard.

On 7 August, 2015, KPC adopted two sub-legal provided by amendments to the Law on Kosovo Prosecutorial Council:

- Regulation on election of members of the Kosovo Prosecutorial Council, and
- Regulation laying down the rules and procedures for the organization of the exam for candidates for prosecutors;
- Regulation on the election of members of the Kosovo Prosecutorial Council determines the procedure and basic principles of electing members of the Kosovo Prosecutorial Council. On the other hand,
- Regulation laying down the rules and procedures for the organization of the exam for candidates for prosecutors establishes rules and procedures for the organization of the examination for candidates for prosecutors from non-majority communities, including the commission for the design and evaluation of the exam, the structure of the exam and method of administration of the exam. The purpose of this regulation is to allow the inclusion of non-majority communities in Kosovo Prosecutorial System.

Based on the National Backlog Strategy all courts are responsible for their action plans in tackling the backlog and as a result at the beginning of 2014 there were approximately 41,000 backlogged cases whereas at the end of June 2015 approximately 19,000 or 46% of cases were resolved- excluding execution cases. Furthermore, on 9 June 2015, KPC approved the Action Plan for the reduction of backlog cases through alternative procedures. The purpose of this plan is to reduce the number of cases in the prosecutorial system of Kosovo - Basic Prosecutions and in particular encouragement of prosecutors to use alternative procedures, namely suspension of the procedure, the negotiation of the agreement plea and mediation. Through this Action Plan all prosecutors are charged to progressively reduce the number of cases.

There has also been progress in terms of *institutional development*. In this regard, on May 14, the Ministry of Justice together with EULEX, the EU Office, KJC and KPC signed second Compact Agreement to support the rule of law in Kosovo. Actions arising from this agreement aim to strengthen the police, customs, judicial and correctional institutions throughout Kosovo. Also, the Compact Agreement calls on the addition of Kosovo capacity to fight corruption, organized crime, and paying attention to addressing

inter-ethnic crimes. In addition, on 13 May 2015, KJC established Department for War Crimes within the Special Prosecution of the Republic of Kosovo.

Furthermore, Government of Kosovo, on 12 August, 2015, appointed Attorney General of the State Advocacy. State Advocacy operates as an independent and sustainable mechanism representing public authorities of the Republic of Kosovo in judicial, arbitration and administrative proceedings.

The initial phase of the Court Management Information System (CMIS) project was completed on 31 June 2015, during this initial phase all the foreseen objectives were accomplished. One of the main objectives during the initial phase was the functional specifications of the CMIS for courts and prosecutors. All preparations for initiating the main phase of the project have started on 1 July 2015 and will last one (1) year. The aim of the main phase is to implement the CMIS in courts.

On 28 May 2015, the KJC became a member of the Balkan Network and Euro-Mediterranean Councils for the Judiciary. Judicial Council members from member states of the Balkan Network and Euro-Mediterranean Councils for the Judiciary, during the 10th conference held in Tirana unanimously discussed and adopted that the Republic of Kosovo respectively the Kosovo Judicial Council to be accepted in this organisation with full rights.

On 11 August 2015, ten (10) judges were promoted and appointed by the President of the Republic of Kosovo from Basic Courts to the Kosovo Supreme Court and Court of Appeal. Furthermore, pursuant to the Brussels Agreement, 30 positions for the Serbian minority community were reserved and extra 18 positions were requested from the Ministry of Finance thus bringing a total of 48 positions reserved. Therefore, in July 2015 the KJC has held interviews for interested candidates. Pertaining to this, out of the 48 positions announced 34 candidates have been recommended for appointment to the President of the Republic of Kosovo. The KJC plans to re-announce the vacancy for the remaining fourteen (14) vacant positions for judges. Moreover, only two (2) positions with a limited contract were recruited on 31 May 2015 as a Senior Judicial Inspector, in the Office of the Disciplinary Counsel, financed by UNDP.

On 18 August, in line with the Brussels Agreement between Kosovo and Serbia for integration of the judicial staff into Kosovo system, KPC have proposed 9 prosecutors from Serb minority to the President of Kosovo for appointment, 8 out of whom will be placed on Basic Prosecution of Mitrovica and 1 in Basic Prosecution of Gjilan. Furthermore, on the same date, KPC has also proposed 13 prosecutors for appointment at the President of Republic of Kosovo who will be placed at various Basic Prosecution Offices in Kosovo. Also, in August 2015, KPC has appointed three State prosecutors in the Chief Prosecutor Office and is in the interviewing process of candidates for Special Prosecution.

During the reporting period, 72 judges have undergone performance evaluation at all levels in all courts and 71 judges were reappointed whereas one (1) was not proposed for reappointment. On the other hand, Performance Assessment Commission conducted an assessment of the performance of 34 prosecutors with a permanent mandate.

With regards to appeals/complaints, there was only one appeal/complaint for the positions pertaining to the Office of the Disciplinary Counsel and it is still undergoing procedure by the Independent Oversight Board. Furthermore, in regards to the number of complaints from the Commission for recruitment of Judges, there were nine (9) appeals from Committee on Recruitment of Judges.

On the other hand, in the process of appointment of prosecutors, KPC received a total of 4 requests for review. During June-July 2015, all of the four requests were rejected by the Commission for Reconsideration of the applications. Also, during the reporting period, the Commission for Reconsideration of the applications for prosecutors from minority rejected six requests for reconsideration of the application. As for the process for the Chief State Prosecutor's Office, during the

reporting period, KPC received a request for review and the same was rejected in August by the Commission for Reconsideration.

During reporting period, KPC has imposed 4 disciplinary measures on prosecutors out of which 1 case of deduction of salary over 50% for six month period, 2 cases of written warnings/reprimands and 1 case of deduction of salary over 30% for three month period.

The table below refers to the number of cases resolved through mediation, during the period of May - August 2015:

Table 3: Statistics on mediation (May - August 2015)

Case categories	Referred to mediation	Solved	Unsolved	Under proceeding
No of cases.	440	327	21	92

The results achieved so far in alternative dispute mechanisms continue to indicate very good progress. In specific terms, as seen in the table above, the statistics compiled by the Mediation Commission only in three months, show that the total number of cases referred for mediation for the reporting period is 440, out of which 327 have been so far solved. It can therefore be concluded that there is a positive trend of the use of mediation, with cases solved quickly and with low costs. On the other hand, number of cases executed by private enforcement procedure during the period 1 May - 11 August is 1682.

In order to increase the public and institutional awareness on mediation, Mediation Committee in cooperation with the German organization CSSP on 28 to 29 May 2015 organized an international conference with the theme "*Strengthening the Potential of Mediation in Kosovo*". Also, in May and June 2015 two trainings were organized from USAID / CLEP for intermediaries in the region of Peja, Gjilan, Prishtina, Ferizaj and Gjakova.

With the view to *strengthening capacities* of the judiciary, KJI has continued with provision of specialised trainings for both judges and prosecutors. In this regard, during the reporting period, three trainings were organised such as:

- Sustainable leadership - attended by seven (7) participants, (3) judges, (3) prosecutors and (1) other
- Information technology Business processes and Law - attended by five (5) judges;
- Bangalore Principles of Judicial Conduct - attended by thirty (30) participants, (21) judges and (9) other.

Furthermore, on 25 May 2015, KJI organized the Graduation Ceremony for Initial Program for the following graduated candidates:

- 17 judges;
- 11 prosecutors.

On the other hand, during the reporting period, KJI also organized several trainings for prosecutorial supporting staff such as:

Introductory course I and II – attended by 41 prosecutorial staff from different departments such as Legal Department, Finance Department, Archive Department, IT Technical Department etc.

1.1.7. Anticorruption Policy

On **legislative developments** in the area of anticorruption policy, the Law Amending the Law No. 04/L-051 on Prevention of Conflict of Interest in discharge of Public Functions has been approved by the Government on 8 May 2015 and currently is in the Parliament for adoption. The amendments of the Law

take into consideration alignment of its provisions with the Criminal Code, ensuring that corruption related offences are criminalized.

The annual assessment of the risk of corruption was concluded in April 2015 in the political sector, local government, central administration (particularly focusing on areas with high risks, such as spatial planning, education, and health and tax authorities), prosecution, judiciary, and financial policies, and public procurement. This assessment served to review the Anticorruption Action Plan 2013-2017 which was finalized in July 2015.

As for improving the accuracy and harmonization of statistics in the fight against corruption, 9 cases in total have entered the top 50 cases, two of which were sent to the relevant courts. The data created by the Prosecution Council has met and incorporated the recommendations given by the European Union Office in Kosovo.

Prosecution Offices, during the first half of 2015, had to work a total of 717 criminal charges (cases) of corruption with 2007 people, of which Prosecution Offices solved 128 criminal reports with 301 persons. At the end of the reporting period (30 June 2015) 589 criminal reports with 1706 persons remained unsolved. More specifically, refer to the table below:

Table 4: Statistics on the performance of Prosecution Offices during the reporting period

Prosecution Offices:		Unsolved at the beginning:		Newly Received, including the separation of procedure and suspects with the expansion of the investigation		Handled in total		Solved		Remained unsolved	
		Cases	Persons	Cases	Persons	Cases	Persons	Cases	Persons	Cases	Persons
1	SPRK	46	253	7	21	53	274	5	41	48	233
2	BPO Prishtinë	331	963	53	155	384	1118	17	45	367	1073
3	BPO Prizren	20	57	19	33	39	90	15	22	24	68
4	BPO Pejë	26	68	24	29	50	97	21	41	29	56
5	BPO Gjilan	7	18	20	30	27	48	17	29	10	19
6	BPO Mitrovicë	55	144	22	51	77	195	13	50	64	145
7	BPO Ferizaj	31	71	17	36	48	107	20	32	28	75
8	BPO Gjakovë	15	33	24	45	39	78	20	41	19	37
In total:		531	1,607	186	400	717	2007	128	301	589	1706

Source: KPC

Courts, during the reporting period (January-June 2015), regarding the indictments against personas, have taken 66 decisions. The table below shows Court decisions categorised according to the prosecution offices:

Table 5: Statistics on Court decisions during the reporting period

Court Decisions	BP Prizren	BP Pejë	BP Gjilan	BP Mitrovicë	BP Ferizaj	BP Gjakovë	Total
Indictment dismissed prior to trial				4			4
The accused found guilty	7	7	9	5	12	4	44
The accused has been released:	4	2	3	1		2	12
The accused acquitted:	5					1	6

Source: KPC

During the reporting period, the Prosecution Offices have been committed in fighting corruption, especially those of high profile corruption cases. In this regard, Special Prosecution issued indictment against the head of Court of Appeal, accused of corruption and misuse of official position and the Basic Prosecution indicted the Prosecutor of the Basic Prosecution of Mitrovica of the Serious Crimes Department. Both individuals were put under detention. On the other hand, the following are the indictments raised on high profile corruption cases against:

- Chief Prosecutor of Gjakova Basic Prosecution - indictment raised by Gjilan Basic Prosecution;
- Previous Rector of University of Prishtina - indictment raised by Special Prosecution;
- Eight staff of Health Ministry - indictment raised by Special Prosecution;
- Eleven officials of Municipality of Prishtina - indictment raised by Special Prosecution;

The Anticorruption Agency prepared a Standard Form filled for the first time in 2015 by senior public officials who are obliged to declare their property. The form contains four types of declaration such as:

- Taking office (once the public official took the office he/she is obliged to declare the property within thirty (30) days);
- Declaration requested by the Agency (the Agency may at any time require the public official to submit the information required in accordance with the law. Also, public officials who are involved for the first time in the list of senior public officials have the obligation to meet this kind of declaration);
- Annual Declaration (Regular annual declaration of assets is done during the exercise of public office from 1 March to 31 March of each calendar year. The public official within the prescribed period discloses any change in the status of the property); and
- Declaration after the termination or dismissal from office (After the termination or dismissal from office, the public official is obliged to submit the declaration of assets within thirty (30) days).

As far as prevention of conflict of interest is concerned, during reporting period May-August 2015 KACA has treated 35 cases of alleged conflict of interest, where 15 cases avoid conflict of interest, 8 reported cases have resulted without conflict of interest, issued 19 opinions/ advices, 0 cases were followed for investigation and 2 cases resulted as demand for dismissal.

As far as procurement activities are concerned, during the reporting period, KACA monitored 7 cases of public procurement, issued 16 opinions, 0 cases proceeded to the Department for Combating Corruption and 7 cases are pending.

Regarding the declaration of assets of senior officials in 2015 for the previous year, 4,125 or 98.3% officials submitted their declaration of assets out of 4,200 who were obliged to do so. 71 (seventy one) senior public officials have not declared their assets and did not give any reason during the regular annual declaration of assets, and four other officials who have not declared their assets gave objective reasons of being abroad for health treatment or are in detention. Therefore, KACA prepared criminal charges against all persons who, without reasonable excuse, did not declare their assets and submitted to the prosecution

The Kosovo Correctional Service Inspectorate has conducted regular 27 inspections and it released in-house rules of conduct for every correctional and detention centre. On the other hand, Kosovo Correctional Services has imposed 95 disciplinary measures on prisoners including written warnings/reprimands, cases of deduction of salary, suspensions and terminations of work relations.

Furthermore, during the reporting period, in order to enhance the criminal charges, ACA organized specialised trainings. For more details, please refer to the table presented below:

Table 6: Training sessions and conferences in the area of anticorruption

Title	Organized by	Venue	Date	No. of participants
Workshop on <i>Strengthening investigative techniques in corruption cases (source, intelligence, evidence, interviewing and drafting of reports)</i>	EULEX	Prishtinë	07 May 2015	12
Training on <i>The role of Disciplinary Investigators: Skills and Basic and Advanced Competencies</i>	UNDP and EULEX	Prishtinë	18-19 May 2015	2

On the other hand, the KJI, during the reporting period, has organized 2 specialized trainings for judges and prosecutors in the area of anticorruption as follows:

- Public procurement and opportunities to fight corruption. This training was attended by seven (7) participants, (2) judges and (5) prosecutors
- European standards against corruption and organized crime. This training was attended by eight (8) participants, three (3) judges and (5) prosecutors

1.2. Human Rights and Protection of Minorities

The legal framework on fundamental rights in Kosovo has been further advanced with the adoption by the Assembly of:

- Law on Protection from Discrimination (entered into force on 26 June 2015);
- Law on Gender Equality (entered into force on 26 June 2015); and
- Law on the Ombudsperson (entered into force on 26 June 2015).

In addition, the Draft Law on the Status and Rights of Persons with Paraplegia and Tetraplegia has been approved by the Government on 21 August 2015 and will proceed to the Assembly.

Based on the law on the Ombudsperson, the OI will act as a National Mechanism for the prevention of torture and other cruel, inhuman and degrading punishments.

In order to improve the conditions on correctional service facilities, the following bylaws were adopted:

- AI on working conditions and the compensation in case of disability caused in work for convicted persons (19 May 2015);
- AI on house rules in correctional institutions (14 July 2015).

On 30 June 2015 was published the Progress Report on the implementation of the National Plan on the Rights of Persons with Disabilities. On addition, the National Council on Disability was re functionalized and based on the findings of the Progress Report on the implementation of the National Plan, were set the priorities and given recommendations to the implementing institutions.

During the period January – June, pedagogical assessment teams for children with disabilities have been established in 28 municipalities. In addition, Guidelines and assessment tools for professional teams in municipalities have been drafted in order to asses' children with disabilities.

With the support of the OGG/OPM, on 17 May 2015 was organized a march against homophobia "Walk and Dance against Homophobia" in celebration for the LGBT community. This event was followed by the illumination of the main government building in rainbow colours.

In July 2015 the AGE has announced a call for subvention and supported 6 projects on the amount of EUR 25,000 that promote gender equality and aim economic empowerment of women.

The MLSW supports 7 NGOs in different regions of Kosovo by paying for their services on protection and sheltering of victims of domestic violence on the amount of EUR 2,500 per month or EUR 30,000 per year for an NGO. However, since March of this year, the allowance will be provided per sheltered victim where the allocated sum per person is EUR 208.33 per month.

During the reporting period the KP has reported and investigated 204 cases of domestic violence. While, for the second quarter of 2015, the KPC has reported the following statistics on cases related to domestic violence:

Table 7: Statistics on cases of Criminal offences related to Domestic Violence (Article 169 and Law No. 03/L-182 new KCC, Article 153/4,154/3 and Reg. 2001/4 old KCC)

Q2 2015	No. of cases	No. of persons involved
Inherited	2,842	4,114
Received	582	770
In process	3,424	4,884
Solved	/	488
Unsolved	2,888	4,396

Source: Kosovo Prosecutorial Council

With regards to Criminal offences against marriage and family, the KJC has reported the following:

Table 8: Statistics on cases of Criminal offences against marriage and family (Article 244-254 of the Criminal Code)

May - August 2015	No. of cases
Inherited	128
Received	33
Solved	22
Unsolved	139

Source: Kosovo Judicial Council

Concerning attacks and threats against journalists the KP has reported the following data:

Table 9: Statistics on attacks and threats against journalists

April - August 2015	No. of cases
Proceeded to Prosecution Offices	0
Cases under investigation	8
No of cases (total)	8

Source: Kosovo Police

Meanwhile the KPC, Basic Prosecution Office in Prishtina, had in work three (3) cases with four (4) persons involved, out of which one (1) case with two (2) persons involved has been solved.

Concerning cases of attacks against the LGBTI community, no incidents were reported by the KP. In addition, neither the KPC nor the KJC have reported any cases, judgments or decisions executed on assaults against LGBTI community (no cases in hand) for the reporting period. The Ombudsman Institution has compiled 4 reports with 16 recommendations addressed to the responsible parties, out of which none has yet been implemented. While, during the period 1 May - 4 August 2015, the OI has received 525 complaints.

The current the situation with regard to juvenile offenders and children in detention is as follows:

Table 10: Juvenile offenders and children in detention

Status	April	May	June	July	August
Detainees	7	8	8	4	7
Sentenced with educational measures	2	2	1	3	0
Convicted	0	0	3	1	0
Total	9	10	12	8	7

Since 15 June 2015, as mandated by the law and supported by EU funds, the KPA has reinitiated and will continue its activities in the Offices in Belgrade and Kragujevac for a three months period.

To date the Kosovo Property Claims Commission (KPCC) completed the adjudication process for 42,116 property claims and a total of 45,226 decisions have been delivered to the parties so far. While during the reporting period 428 decisions have been delivered to the claimants, 64 to the respondents and 11 to the current users. So far the number of implemented decisions is 34,830 meanwhile during the reporting period 1,751 decisions have been implemented.

During the period 1 May – 17 August 2015, 848 evictions have been scheduled, out of which 339 evictions have been executed through a physical eviction, including 24 evictions upon a request for repossession of property and 315 due to non-payment of rent. During this period, 224 evictions have been cancelled since the current occupants have paid the rent before the deadline for eviction with the assistance of police and 120 evictions have been cancelled due to other reasons.

To date the KPA, through the Voluntary Rental Scheme, has rented out 1,146 properties. During the period May – August 2015, 81 properties were rented out; (24 juvenile offenders and children in detention agricultural properties, 57 residential properties). As regards the Compensation scheme for socially owned apartments there are 143 decisions to be implemented through compensation. The amount necessary for the compensation of these properties is EUR 3.2 million which the Agency could not provide.

The KCS Inspectorate has conducted 27 regular inspections in all Correctional and Detention Centres and issued 12 weekly reports and 4 monthly reports for the period of April – July 2015. 5 disciplinary measures were imposed on the KCS staff, while 2 initiated proceedings are still in process. The KCS received no complaints during the reporting period. While the Inspectorate of Correctional Services has reported in total 56 cases of criminal activities in prisons, and received 18 complaints from prisoners.

During the period 1st of May – 31st of July 2015 the labour inspectorate has conducted 2,758 inspections and imposed 221 warnings and 100 fines. Training on *Assessment of risks in the workplace* was organized by the MLSW for two groups on the following dates: 22 – 23 June and 29 – 30 June 2015.

On 04 – 05 June, the AGE has organized a workshop on *Gender Index as a mechanism for the inclusion of a gender perspective in public policies* with 40 participants.

In order to enhance the professional capacities of the staff on correctional institutions, a ToT on fundamental rights, right of religion and prevention of radicalism has been conducted 06 – 10 July 2015 for 17 participants.

With regard to advancement professional staff in courts and prosecutor offices, the KJI has held the following trainings:

Table 11: Training sessions organized by KJI

Title	Dates	No. of participants
Protection and promotion of diversity, tolerance and equality on the context of legislation on the area of anti-discrimination	09 - 10 July 2015	23 (14 judges, 1 prosecutor and 8 others)
Highest standards on prevention of discrimination	10 June 2015	9 (4 judges, 3 prosecutor and 2 others)
Prevention of domestic violence	25 June 2015	10 (8 judges, 1 prosecutor and 1 other)
Protection of children rights in matrimonial - family disputes	11-12 June 2015	11 (8 judges, 0 prosecutors and 3 others)

1.2.1. Protection of and Respect for Minorities and Cultural Heritage

The Council of Cultural Heritage in Prizren has been functioning as foreseen by the Law and the Municipality has allocated the budgetary funds for functioning of the council. No activities of illegal construction on protected areas have been reported.

The IMC has held 1 meeting where issues and disputes within orthodox religious sites were addressed. With regard to protection of cultural heritage, 10 objects are secured with camera surveillance and lightening has been ensured for all the other religious objects.

With regard to cases of theft and vandalism on cemeteries and objects of cultural heritage, during the reporting period the KP has investigated 10 cases, out of which 4 have been solved (with 1 arrested person and 2 suspects). According to Article 421 on Damaging graves or corpses, during this reporting period the KJC has reported five (5) inherited cases and no other cases was received nor resolved.

During the reporting period, two (2) cases of potentially ethnically motivated crimes have been investigated by the KP (on the region of North Mitrovica). The KPC has reported that the Basic Prosecution Office in Ferizaj dealt with two (2) cases (for one of them investigations were initiated).

With regards to Criminal offences on inciting national, racial, religious or ethnic hatred, discord or intolerance (Article 147), the KJC has reported the following:

Table 12: Statistics on cases of Criminal offences on inciting national, racial, religious or ethnic hatred, discord or intolerance (Article 147 of the Criminal Code):

May - August 2015	No. of cases
Inherited	5
Received	3
Solved	2
Unsolved	6

Source: Kosovo Judicial Council

With regard to the collection of data on potentially inter-ethnically motivated incidents or crimes, the KPC, KJC and KP agreed to integrate also the criminal offence foreseen by Article 147 of the Criminal Code (Inciting national, racial, religious or ethnic hatred, discord or intolerance) in the data on Tracking Mechanism. Moreover, the KPC drafted a manual that will assist Kosovo Police and Prosecutors while investigating and prosecuting these crimes.

As part of the implementation of the Strategy and Action Plan for the integration of RAE communities, during the reporting period the MoH has vaccinated 550 children from these communities.

The number of children from RAE communities enrolled in schools for the academic year 2014/2015 was 6900 in primary school and 538 in secondary schools. Based on information from the Municipal Directorates of Education, during this academic year 58 children have returned to school after dropping out, a number that significantly grew during the last 4 months (from 16 reported in march).

MEST continues to provide with scholarships students from RAE communities, during the last year from Kosovo budget have been supported 67 students attending secondary education and 33 university students. While with the support of international donors, have been provided with scholarships 500 students attending secondary education and language courses in Serbian and Albanian have been provided for 300 repatriated children.

The Curricula Framework and the core framework have been translated to Serbian language and are in the process of piloting in 92 schools. In addition, during the reporting period the curricula in Roma language has been finalized.

The MLGA has conducted a three months campaign on civil registration of Roma, Ashkali and Egyptian communities. As a result, during the period January – April 2015, out of 233 identified persons, 126 were registered. To date, in total 136 persons have been registered, while 88 persons remain unregistered since they come from neighboring countries and do not possess any document that would permit their registration (75 persons living in Mitrovica and 13 persons living in Ferizaj).

Based on a decision of the Secretary General on 15 May 2015, EUR 80,000.00 have been allocated to implement the Project *Support for the newly established municipalities in northern Kosovo through the development of education, science and youth*.

In addition, the OCA has allocated EUR 10,000.00 to support the NGO Balkan Sunflowers in order to cover the costs for the expansion of learning space for children of Roma living in Kosovo.

The Office of the Language Commissioner during the period May – August 2015, the OLC has received 4 complaints related to the implementation of the Law on the use of languages, out of which 3 have been solved. On 7-8 July training on *Advancement of language rights in Kosovo* was held for 19 participants. Moreover, training on *Mechanisms of achieving greater efficiency in the work, to monitor the implementation of the Law on Use of Languages* was also held on 9-10 July for the staff of the OLC.

Referring to the issue of returns, according to the Statistical Statement of UNHCR, during the period May -July 2015, 111 people have returned.

As part of the project Return and Reintegration in Kosovo (fourth stage), 250 returned families have been supported in the municipalities of Peja, Klina, Istog, Shterpce, Suhareke, Obilic and Gjilan. Program activities started on 1 November 2014 and are expected to be completed by April 2017. During this reporting period, 56 cases were approved in the first round and has so far been finalized construction of 48 houses and 8 houses are under construction for returnees, out of which 19 houses in MA Obilic, 4 houses in MA Peja, 6 houses in MA Klina 5 houses in MA Strpce , 1 house in MA Gjilan and 13 houses in MA Istok. Also during this reporting period, for the second round have been approved 66 cases of potential beneficiaries to return. Also there have been distributed 19 harmonized assistance package with food and non-food items, furniture and household appliances.

As part of the "Programme to support the resettlement of returnees from the former Yugoslav Republic of Macedonia and the Republic of Montenegro", so far a total of 48 families of Roma, Ashkali and Egyptian communities were assisted with house construction and other aid packages in cases of return, while the construction of the remaining 12 houses under this project is expected to start in September 2015 for the returnee families.

During this period in the frame of the project "Nenkalaja" - second phase " in Prizren, at this stage have been approved 7 cases of beneficiaries and are in the process of preparation of technical documents for the construction of houses.

Through NBRM project, implemented for minor repairs to homes of returnees from category I to III, during the reporting period have been approved 6 cases for minor repairs in houses in municipalities of: MA Ranillug 2 houses, MA Istog 2 houses, 1 house in MA Decan and in MA Peja 1 home. Also it has been initiated the procedure for building a house for a minority community family with difficult living conditions.

MRC also during the reporting period helped in various ways Kosovo communities also through civil society. With citizens' initiatives and non-governmental organizations, MRC has funded 17 projects of NGOs in financial amount of EUR 46,142.60, from the fields of education, culture, sports, religious events and many other areas that are important for quality of life of citizens.

This type of assistance through projects that have competed non-governmental organizations, aimed at improving cultural and educational life of the citizens in the abovementioned areas.

Project to support the closure of collective centers in Shtërpe Municipality (project implementation period from 2015 to 2017), in this period have begun meetings / activities among project implementers and beneficiary Municipality about preparations for the start of implementation of the program, which officially was scheduled to begin in June 2015, but we are waiting for the signing of the agreement on IPA projects 2014 between the Government and the European Commission.

In order to realize the program for the stabilization of communities by MCR, harmonized aid to stabilize returnee families and vulnerable families from the ranks of minorities communities has been provided as follows:

- Allocation of furniture and white technique for 5 families returned, the financial amount EUR 6,019.00;
- There was shared household firewood for minorities' families with difficult living conditions, the financial amount EUR 594.73.

1.2.2. Protection of Personal Data

In order to assess the scale of compliance of data protection standards amongst law enforcement bodies, the NAPPD continues to conduct regular inspections in public and private institutions, and inspections based on complaints received by different parties in sensitive areas such as telecommunications, education sector, banking sector, medical sector, etc. As a result of these inspections, minor offence procedure was initiated against one private clinic for revealing personal data used for direct marketing purposes, while by the decision of Basic Court and recommendation by the agency one online marketing company received a 5,000EUR fine for the usage of personal data for marketing purposes during the election campaigns.

With regard to the appointment of municipal data protection officials, out of 38 municipalities in the Republic of Kosovo, 36 of them now have data protection officers appointed. The remaining municipalities (2) are expected to appoint local level data protection officials in the very near future. The appointment of the data protection officials in municipalities emphasizes the importance of the role of local DPOs, but also contributes directly in the implementation of the legislation on data protection in the national level.

1.3. Regional Issues and International Obligations

The Republic of Kosovo as a full member of the regional organization - Regional Cooperation Council (RCC), participates in the Annual Meeting, Board Meetings - 3 times a year, meeting of National Coordinators and Sectoral Meetings. In this regard, on 15 May 2015, the Prime Minister of Kosovo took a decision to appoint the Adviser for Foreign Relations of the Cabinet of Prime Minister as the National Coordinator for Regional Cooperation.

According to the decision No. 28/06 taken on 8 May 2015, the government allocated the financial means in the amount of 40,000,00 EUR OS, to meet the annual contribution of the Government of the Republic of Kosovo for 2014 as a participant/member of the Regional Cooperation Council based in Sarajevo.

The RCC Board held its regular meeting on 12 May 2015, in Sarajevo. The meeting was attended by a representative from the Ministry of Foreign Affairs, Government of the Republic of Kosovo. Whereas, on 22 May 2015, RCC held its Annual Meeting in Tirana, a meeting in which Kosovo was represented by the National Coordinator for Regional Cooperation.

In addition, following the agreement reached on 24 June 2015 on car insurance between Kosovo and Serbia, came into affect only on 11 August 2015. The agreement came as a result of the Kosovo-Serbia talks and should cut the insurance costs for drivers of both countries by roughly half.

In the framework of regional cooperation, the Government Commission took part in the regional meeting held on 8 May 2015, in Montenegro, having already made a significant contribution in the drafting process of "Regional List of Missing Persons".

During the reporting period, in line with the legislation in force, the Government Commission on Missing Persons continued the cooperation and coordination between the stakeholders involved in the process of resolving the fate of missing persons, therefore organizing a total of four (4) regular Commission meetings since April 2015.

Conjointly, as a result of discussions held during these regular meetings and other working meetings covering specific activities that aimed to provide new information, during the reporting period a total of eight (8) locations identified in different parts of the territory of the Republic of Kosovo were processed for excavation assessment. Likewise, on 7 August 2015, the conduction of excavations assessment continued in a location identified in the Kozar village in Serbia, however, the working process at the site was stopped by the Serbian authorities. Similarly, the case of 'Raska' is under the jurisdiction of Serbia and advancement of this case is so much depends on the willingness of the Serbian authorities to cooperate. During the reporting period no meeting was held with the delegation of Serbia and as such, there is no progress on this case to be reported.

It should be noted that in response to requests and samples sent for DNA analysis by the professional institutions of the Republic of Kosovo, the International Commission on Missing Persons has informed the local institutions that it has released a positive report of the DNA, therefore resulting in a new identification and about eighteen reports or reunification cases.

Also, in respect to practices for access in cases of mutual interest, with the invitation of the Kosovo's Government Commission on Missing Persons, representatives of the Serbian Government Commission on Missing Persons have participated in an excavation activity conducted in one of the eight (8) locations identified within the territory of the Republic of Kosovo.

2. ECONOMIC CRITERIA

2.1. Existence of a Functional Market Economy

2.1.1. Economic Policy Essentials

The Mid-Term Expenditures Framework 2016-2018 was prepared in three languages and proceeded to the Government for adoption. The Government of the Republic of Kosovo approved the Mid-Term Expenditures Framework 2016-2018 on 29.04.2015 and proceeded the same to the Assembly for information. The document consists of the following main elements:

- Statement of Mid-Term Policy Priorities;
- Macro – Fiscal Framework 2016-2018;
- Budget Spending Framework 2016-2018.

Based on MTEF, the budget circular 2016/01 was issued to all budget organizations/agencies of the central level on 15.05.2015 in three languages.

In 2014, Kosovo participated for the first time in the structured dialogue for economic governance, which is regularly and continuously held between candidate countries on the one hand and EU institutions, especially Council and Commission on the other. A basis for this dialogue is the **Economic Reform Programme (ERP)** prepared for the first time by Kosovo. ERP is a mean aimed at ensuring a clearer guidance on implementing the reforms, bringing together a medium-term macroeconomic analysis, fiscal framework, and priorities of the general economic policy. This document will be directly related to the National Development Strategy and will serve as a basis for drafting the medium-term planning documents, such as Mid-Term Expenditure Framework. Guidelines for preparation of the 2016 ERP have been received and preparations are underway for revising the document.

Furthermore, during this year, Kosovo negotiated a Stand-By Arrangement with the International Monetary Fund, which aims to support the maintenance of fiscal stability, level of public debt, as well as the improvement of public spending quality (more details are discussed in the feedback below).

2.1.2. Macroeconomic Stability

Nominal GDP for 2014 is estimated to have been EUR 5,579 million (or EUR 2,955 per capita). In 2015, the nominal GDP is forecasted to reach EUR 5,849 million (or EUR 3,050 per capita).

In 2014, the real GDP growth is estimated to have been 3.3%, whereas in 2015, this growth is projected to accelerate to 3.8%. 2015 will be a period of stabilization and will precede a medium term period consisting of a more stable macroeconomic climate and more favourable environment of doing business, where the entry into force of the tax amendments (elaborated further in feedback below) is expected to contribute as well. The Government's Programme is based on previous and current challenges and has put special emphasis on the economic development by stimulating domestic production. These fiscal changes especially support the production line in various sectors, including the agricultural products sector, which is already being supported through state subsidies.

Despite the fact that consumption is forecasted to decrease in relation to GDP even during medium-term period 2016-2018, the consumption growth will continue to be the main contributor to the GDP growth in Kosovo, supported, inter alia, by remittances. Furthermore, this period is expected to be characterized with significant improvement in investments. Even though the European recovery remains slow (uncertainty in the EUR zone declined less than expected), the overall view is positive and therefore no drastic decreases are expected in transfers of Diaspora from the EUR zone, whether in the form of remittances or investment in real estates.

Although signs of improvement were observed in the export category, the level of Kosovo exports remains low. Due to this reason, the Government of Kosovo has seen export as a category with the potential to contribute to the GDP growth. Therefore, considering the challenges faced by Kosovo producers, the Government of Kosovo has made tax changes that facilitate the existing base of Kosovo businesses in production. Thus, Kosovo's products will begin to gradually replace imported ones and will have easier access to international markets. Application of these changes as of this year will allow the effects of these changes to be manifested in the beginning of the medium-term period 2016-2018. Moreover, the Government's Program is focused on various sectors, aiming to support Kosovo's export diversification, which is a characteristic enhancing the stability of this category contribution to the GDP growth.

Table 13: Nominal GDP and its real growth rate

Description	2011	2012	2013	2014*	2015
<i>In EUR, millions</i>					
Consumption	5,020	5,256	5,539	5,809	6,002
Investments	1,531	1,387	1,471	1,486	1,587
Exports of goods and services	959	922	927	1,091	1,176
Imports of goods and services	2,737	2,649	2,611	2,807	2,917
Nominal GDP	4,772.9	4,916.4	5,327	5,579	5,849
Real GDP growth	4.8%	2.5%	3.4%	3.3%	3.8%
CPI	7.4%	2.4%	1.8%	0.4%	0.2%

Source: KAS and Macroeconomic Unit estimates, MoF.

*Remark: KAS publishes the data of national accounts at the end of September for the previous year. Therefore, data for 2014 and onwards are estimations of the Department for Economic and Public Policy.

Kosovo has no strong financial and trade relations with the countries affected by the crisis. There was no significant impact through remittances from Diaspora, which represent an important component in financing the country's economy. This is because most of them originate from Germany and Switzerland, which are less affected by the crisis.

The external position of the Kosovo's economy continues to be determined by developments in the global economy, especially that of the European Union. This is because the major share of Kosovo's export is oriented in European Union countries, whereas the Germany and Switzerland represent the main source of remittances from the Kosovo's Diaspora and foreign direct investment in Kosovo. Expectations for a decline in international prices of foodstuffs and oil are expected to be reflected in the decline of the value of imports, whereas the projected increase in international prices of metals associated with the new measures undertaken by the Government to stimulate the production expected to stimulate the export of goods.

Balance of Payments

The current account balance up to May 2015 reached EUR (-)158.5 million, representing an increase of EUR (-) 22.2 million compared to the same period of 2014. The trade balance of services in the first five months of 2015 reached EUR 108.4 million, representing a decline of 11.2%, while the primary income reached EUR 45.6 million and declined by 15.3%. In the reporting period, the secondary income balance amounted EUR 440.7 million, that accounts for an increase of 0.3%. Within the primary income account, compensation of employees (residing for less than 12 months abroad) had a balance of EUR 86.0 million, presenting an increase of 9.5% in May 2015 compared to the same period of the previous year. Within the secondary income account, up to May 2015 remittances reached a level of EUR 279.2, an increase by 18.7% compared to the same period of the previous year.

Export of goods up to June 2015 has increased by 14.5%, reaching EUR 161.5 million in nominal terms while the import of goods has increased by 5.1% reaching EUR 1.2 billion. Trade balance (which continues to be negative) has increased by 3.7% and reached at EUR 1.0 billion in June 2015.

As regards **external government debt**, its level stood at EUR 330.59 million in the second quarter of 2015 or 11.2% of GDP. Compared to the external government debt in the same period of 2014 (EUR 319.0 million), there was an increase by EUR 11.6 million. Total public debt (internal and external) stood at EUR 649.14 at the end of second quarter of 2015. The total stock of government debt is expected to reach EUR 740.24 million or 12.76% of GDP at the end of 2015.

With regards to Foreign Direct Investments (FDI) the stock value in the first quarter of 2015 was EUR 3,032.2billion. FDI are largely oriented in the real estate (partially consisting of remittances invested in buying properties), financial intermediation and construction. These sectors altogether constituted around 95% of foreign investment in the first five months of 2015.

Trends in unemployment and employment

According to the data of the Ministry of Labour and Social Welfare, on unemployment, during the period January-July 2015, the number of jobseekers registered as active unemployed persons at the end of July 2015 was 105,483. The number of young jobseekers - aged 15-24, registered as active unemployed persons is 11, 851, whereas, 5,598 or 47.23% of them are women. The number of female jobseekers registered as active unemployed persons is 46,230, which represents an unemployment rate amongst women in the total number of unemployed (registered as active unemployed persons), of 43.82%.

The results of the Labor Force Survey for 2014 were published this June. Almost two thirds of Kosovo's population is of working age (15-64 years old). Of those in working age, 58.4% are not economically active, meaning that they are not employed and have not actively sought employment in the past four weeks and/or are not available to start work within two weeks. Some 35.3% (or 176,743 persons) of the population that is economically active, are unemployed. This implies that 64.7% (323,508) of economically active people are employed, yielding an employment to-population ratio (employment rate) of 26.9%. Of the 58.4% of the working age population that is inactive, 18.2% (128,400 people) did not seek a job because they believed that there was no work available. Discouraged workers accounted for 10.7% of the working age population, with similar levels for women and men.

Large gender differences are observed throughout the labour market. The employment rate among working age women is only 12.5%, compared to 41.3% for men. Approximately one-in-five (21.4%) women of working age are active in the labour market, compared to three-fifths (61.8%) of the male working age population. Among those in the labour force, unemployment is much higher for women than it is for men (41.6% compared to 33.1%). Family responsibilities were the main reason for women's inactivity in the labour market with 38.8% of female respondents giving this reason. Women were mostly employed in the education and health sectors (almost 40% of employed women). Men were mostly employed in the manufacturing, trade and construction sectors (employing more than 40% of employed men).

Youth unemployment remains very high according to the findings of the survey. In 2014, youth in Kosovo were almost twice as likely to be unemployed compared to adults. Among those aged 15-24 years and in the labour force, 61.0% were unemployed. Unemployment is higher among young women (71.7%) than young men (56.2%). Almost one third (30.2%) of Kosovo's 15 to 24 year olds were not in education, employment or training. The figure among young women is 34.0%, compared to 26.6% for young men.

Trend indices on inflation (preferably HICP), core inflation (including definition)

The trend of slow increase of price level, calculated with the annual changes in the Consumer Price Index (CPI), continued also in 2014. Similar to the previous year, food and transport prices marked a slight

decrease, reflecting the decrease in global prices of food and oil, whereas other components such as tobacco, alcohol and services marked an increase. As foreseen, the increase of wages in the public sector seems to not have impacted the increase of prices or it has been rampant from the effect of the decrease of international prices, thus resulting in an approximately unchanged level of prices. Consumption prices are expected to remain low for the medium-term period, 0.2% in 2015 and approximately 0.5% for the period 2016-2017. Low inflation rates are projected as a result of the stabilization/decrease of prices of two components, food and transport, with higher weight in CPI, as a result of the further decrease of the foodstuffs and oil prices in global markets, whereas other groups of products and services are projected to continue to compensate a share of this decrease.

1.2. Reporting on monetary and fiscal policies during the reporting period

As regards the monetary and exchange rate framework, Kosovo has no monetary policies because EUR is the official currency being used. Below are the nominal and real effective exchange rate movements, annualised.

Table 14: Annual average and nominal and real effective exchange rates

Description		2010	2011	2012	2013	2014	2015/ May*
Index	NEER	100.8	101.1	101.2	102.1	101.9	101.1
	REER (Total)	104.8	105.8	106.6	107.2	106.0	103.9
	REER(CEFTA)	105.8	106.6	106.9	107.7	107.4	106.2
	REER (EU)	106.4	106.9	108.6	107.8	107.3	106.3

Source: CBK

*last available month in bqk-kos.org

As regards **fiscal policies**, domestic revenues marked an increase of 9.2% compared to the January-July period of 2014, whereas have shown under-collection for 2 percentage points compared to the monthly forecast based on the revised budget¹. **Custom revenues** marked an increase of 7.4% compared to the previous year, representing a over-collection of 0.5 percentage points compared to the revised plan for this period. For the period January-July, custom revenues are projected to reach EUR 495.9 million (cumulative), which represent a collection rate of 52.4% of projection according to the revised budget for 2015 (to EUR 946 million). The revenues collected in the country for this period marked an increase of 9.2% compared to the same period of 2014 and have been EUR 198.4 million. Compared to the revised monthly projection according to the budget approved in July (EUR 202.6 million by the end of July), this category of revenues marked a collection of 98%, where domestic revenues 58.3%. Municipalities own revenues marked a decrease of 14.3% compared to the same period of 2014, while only 67.0% have been collected if compared to projections for this period.

Total expenditures marked an increase of 3.7% compared to the same period of 2014. Compared to the annual plan according to the reviewed budget, total expenditures were executed at the rate of 48.1%. Total expenditures amounted to EUR 793.8 million during the period January-July. The structure of expenditures continues to be dominated by expenditures for wages and salaries, as well as subsidies and transfers. Specifically, expenditures for wages and salaries represented 38.5% of total expenditures, followed by expenditures for subsidies and transfers (29.2%). Expenditures for goods and services and capital expenditures represented 12.9%, respectively 19.3%.

¹Monthly projection has been reviewed conform to the review of the budget approved by the Assembly. Table containing the reviewed budget is published in the MF official website: <http://mf.rks-gov.net/sq-al/Buxheti/Buxheti-i-Republikes-se-Kosoves/Buxheti-qendrore>

Table 15: Revenues and expenditures during 2015

Description	Jan	Feb	Mar	Apr	May	Jun	Jul
	In million of EUR						
Border-Customs	51.1	104.4	167.2	242.2	318.4	402.5	498.2
Refunds from Customs	- 0.2	- 0.4	- 0.6	- 0.8	- 1.1	- 1.4	- 2.3
Domestic tax - KTA	41.2	62.6	83.9	126.3	141.7	162.5	198.4
Refunds from KTA	- 1.8	- 4.3	- 6.9	- 9.3	- 11.8	- 13.6	-17.0
Non-tax revenues - Government	2.9	6.2	9.7	11.3	18.3	22.6	27.4
Own Source Revenues - Central Government	4.4	8.2	12.0	16.5	18.6	21.1	23.8
Own Source Revenues - Municipalities	3.8	7.5	11.3	14.4	19.9	25.0	29.8
Concessional fee	1.5	1.5	1.5	2.9	2.9	2.9	4.9
Royalties	0.5	0.6	7.0	13.2	13.6	14.0	20.6
Revenues dedicated to PAK	5.5	5.5	5.5	5.5	5.5	5.5	5.5
Dividend	-	-	-	10.0	10.0	10.0	10.0
Budget receipts	109.0	191.8	290.6	432.3	536.0	651.1	799.3
Borrowings from IFI	0.7	0.7	2.7	2.9	3.0	3.9	39.6*
Securities	6.8	11.7	37.1	32.3	47.1	62.0	60.7
Donor-designated grants	0.5	2.8	3.7	4.3	4.4	4.5	8.0
Total receipts (Receipts - Revenues)	117.0	207.0	334.0	471.8	590.5	721.5	907.5
Wages and salaries	42.2	84.2	126.5	168.9	213.4	258.5	302.7
Goods and services	1.3	16.3	28.3	47.1	64.0	77.0	88.4
Utilities	1.1	4.2	6.1	9.6	11.4	12.5	13.4
Subsidies and transfers	25.2	60.9	92.6	133.9	164.1	196.4	229.6
Capital expenditures	0.1	12.6	31.9	48.8	75.3	115.6	151.6
Reserves	-	-	-	-	-	-	-
Budgetary payments	70.0	178.3	285.5	408.4	528.2	660.0	785.7
Debt service	0.1	3.6	13.8	14.3	17.7	18.7	19.8
Donor-designated grants	0.1	1.0	1.8	5.1	5.7	6.3	7.3
Total payments (Payments - Expenditure)	70.2	182.9	301.1	427.7	551.6	685.0	812.8

Source: Daily reports of Treasury, MoF

*Here we received the first tranche from the IMF after negotiating the Stand-By arrangement during this year

Regarding developments in the fiscal sector, during the first months of the year, tax laws were amended in order to reflect the fiscal reform envisaged by the government programme. More specifically, the main amendments can be summarised as follows:

- Removing barriers for fiscalisation of all businesses by amending the Administrative Instruction No. 15/2010 for fiscal devices with the aim of liberalising the market of these devices. This measure is aimed at increasing the number of operators in this market which will impact the reduction of the cost for both devices and maintenance for businesses. With this measure is aimed the completion of the fiscalisation process for all businesses, which would enable the creation of a more equal environment for all businesses operating in the Republic of Kosovo.

- At the same time, the Ministry of Finance designed additional measures to stimulate consumers collecting fiscal receipts through a special Administrative Instruction. These measures are intended to reduce tax evasion and prevent unequal competition and at the same time protect consumers.
- Changes in the Value Added Tax through the reduction of the threshold for VAT registration from EUR 50.000 to EUR 30.000, escalation of VAT rate in 8% for certain basic products and 18% for other products, and exempting from VAT the production lines and basic products for domestic producers.
- In order to reduce administrative barriers, the administrative procedures will be shortened, here we can mention the removal of the requirement for a export and import certificate since all businesses in Kosovo already possess an identical fiscal number.

The Government is focused to maintain macro-fiscal stability and at the same time maintaining the productive budgetary expenditures. In this context, is worth mentioning the fact that from the beginning of this year, the Government of Kosovo negotiated a 22 months program with IMF, which is expected to be approved by the IMF Board at the end of July. Since Kosovo is not characterized by a fiscal risk and payment balance risk, as well as has no monetary policies, this program will be more focused in the economic development of the country. More precisely, given the low level of public debt in relation to the GDP, as well as the need of Kosovo to build infrastructure and have economic growth, an agreement was reached with the IMF to create a clause of investment within LPFMA which enables the Government to finance projects outside the fiscal rule through loans from International Financial Institutions.

The increase of wages in the public sector and pensions impacted the change of the budget structure. In this aspect, the Government plans to create a special rule within the LPFMA which will govern and anchor the increase of public sector wages with the increase of productivity. In accordance with these restriction in the current expenditures, the Government is dedicated to maintain a high level of capital expenditures during the period 2016-2018. The construction of new roads and further improvement of existing roads and railway infrastructure, investments for the increase of energy efficiency, extension of the land irrigation system etc., will consist of the larger share of capital investments for the next period.

From the institutional aspect, a European Union funded project conducted a PEFA assessment during the first quarter. Recommendations deriving from this assessment will provide the basis for developing the Strategy for Public Finance Management, which is planned to be completed in the beginning of 2016.

Evaluation of the macroeconomic policy mix

The existing growth model of the country based on large financial inflows is associated with significant risks. On the short run, the main risk factor would be a sudden fall of these inflows – caused by unfavourable economic developments in countries with the largest Kosovo diaspora – and its negative consequences for growth, public finances, and external and financial sector stability. On the medium and long run, however, the main challenge for the country is how to establish conditions conducive to promoting self-sustained growth based on increased domestic productivity and export competitiveness, and aimed at reducing high unemployment, improving human capital and physical infrastructure. These objectives will have to be achieved within the framework of stable public finances what implies predictable developments with respect to public sector wages, and with maintaining the labour market flexibility. Both are of crucial importance taking into account macroeconomic policy options available to a country without its own monetary policy.²

2.1.3. Interplay of Market Forces

Price liberalization

²Economic Reform Program 2015 (<https://mf.rks-gov.net/sq-al/Raporte/Raporte-dhe-Publikime/Programi-Komb%C3%ABtar-p%C3%ABr-Reforma-n%C3%AB-Ekonomi>)

Regulators are the price-setting mechanisms for network industries such as energy, central heating, water, waste. There are no changes or developments to report.

Size of the private sector

As shown in the table below, there were no large variations of the share of private sector in GDP.

Table 16: Share of private sector to GDP, in%, (Source: MTEF 2016-2018)

Description	2011	2012	2013	2014 est.	2015 proj.
Private Consumption	88.4	90.5	87.3	87.7	85.6
Private Investments	21.0	17.0	17.7	19.3	19.7

Privatisation

The Privatization Agency did not have its Board due to which the agency could not realize any sales. So far, 462 SOEs are in the liquidation process. There was no claims received in the reporting period for the SOEs that are in the liquidation process. Liquidation Authorities have taken 2,704 decisions in the period 01 May - 17 August 2015.

Current State of Privatisation:

- Socially Owned Enterprises privatised to date: 329
- Socially Owned Enterprises remaining to be privatised 270
- **Total Privatisation proceeds to date:** **EUR 630 Million**
- Registered Investors in PAK database: >15,000
- Number of "pre-qualified" investors: >4,000

2.1.4. Market Entry and Exit

During the reporting period, a total of 2,654 new businesses are registered, while 1,513 were closed down.

2.1.5. Business Environment, Legal System and Administrative Capacity

A systematic (massive) registration of immovable property 50 Cadastral Zone is currently taking place in 50 cadastral zones, respectively in Municipalities of: Gllgoc, Skanderaj, Vushtrri, Suhareka, Istog, Shtime, Hani Elezit, Kaçanik, Obiliq and Malisheva. Implementation is being realised by a joint project between the Government of the Republic of Kosovo and the World Bank. This project is expected to be completed during the next reporting period and its impact on property registration is of great significance. Also during this reporting period the KCA completed the project on digital topographic maps 1:25000 for 90% of the Kosovo territory. Although the legal deadline under the Law on the establishment of an immovable property rights register (IPRR) for filing an application to the Municipal Cadastre Offices (sale/purchase, inheritance, gift, mortgage, etc.) is 30 days, in practice, according to statistics for this reporting period, the average is 10 days.

The progress made in the field of Cadastre in Kosovo has positively contributed to the doing business climate. This is also confirmed via World Bank Report on Doing Business for 2015, where Republic of Kosovo in the component on registration of immovable property is ranked as 34 in the world ranking list. Below you may find the data for property registration, during the period January - July 2015 and those of the previous year.

Table 17: Statistics on Property registration (2014 and 2015 (until July))

Property registration				
Month	No. of Registered Mortgages	Transactions/ Inheritance	No. of Registered Buildings	No. of registered parts of buildings
In 2014				
January	285	3677	18	84
February	280	3471	11	60
March	349	3146	11	111
April	370	3331	16	84
May	354	2703	12	117
June	253	1629	8	45
July	265	2042	6	96
August	188	2924	4	371
September	248	2183	4	163
October	298	1990	8	72
November	278	1821	12	69
December	495	7874	26	318
In 2015				
January	243	2745	11	182
February	246	2899	15	163
March	313	3072	17	191
April	340	2708	44	108
May	411	2260	13	114
June	423	1921	15	120
July	304	2282	20	119

Source: Statistics on property registration in the Kosovo Cadastre Land Information System (KCLIS)

2.1.6. Developments in the Financial Sector

Kosovo's financial system continued to expand its activities during 2015. Total assets of the financial system (excluding CBK assets) marked an annual growth of 10.1%, standing at EUR 4.69 billion in March 2015 (81.2% of GDP in 2015)³. Banks remain the dominant financial intermediaries with 69.3% of the total financial sector assets, followed by Pension Funds and Insurance companies with 25.1% and 3.0%, respectively.

Banking sector is mainly foreign owned (90.4% of banking assets) and has a high degree of market concentration. Nevertheless, the degree of market concentration has continued to decline slowly in the last two years. In June 2015, the market share of the three largest banks stood at 65.3% compared to 67.2% in June 2014. The decline in the degree of market concentration is expressed also by the Herfindahl-Hirschman Index (HHI) for assets which dropped to 1,792 points in June 2015 from 1,847 points in June 2014.

Lending activity was characterized with an accelerated growth rate during last year. In June 2015, total loans amounted to EUR 2.01 billion, which represents an annual increase of 6.1 percent (3.5 percent in June 2014). Loans to enterprises represent 66.7% of the loan portfolio (67.3% in June 2014), whereas the remaining 33.0% represent the loans to households (31.4% in June 2014). During the last year loans toward enterprises had an accelerated growth rate which was driven by sectors of trade, manufacturing and agriculture. The accelerated growth of loans toward households was driven mainly by consumption and mortgage loans.

³ Preliminary forecasted GDP for 2015: Central Bank of the Republic of Kosovo.

Deposits in June 2015 reached the value of EUR 2.57 billion (EUR 2.42 billion in June 2014) which represents an annual increase of 6.3% (10.0 percent in June 2014). The slower growth pace of deposits is mainly attributed to the sharp decline in the interest rate on deposits that has been characterizing the banking sector. The structure of deposits in the banking sector continues to be dominated by household deposits, which account for 74.0% of total deposits.

The liquidity position of the banking sector in the first half of 2015 continued to be satisfactory. Total liquid assets to total assets ratio in June 2015 stood at 28.8% (32.4% in June 2014). The loan to deposit ratio decreased to 77.9% in June 2015 from 78.1% in June 2014. The banking sector remains well capitalized with its levels of capitalization continuously exceeding the minimum regulatory requirements. In June 2015, the level of capitalization is further strengthened where the capital adequacy ratio increased to 19.0% from 17.4% in June 2014. Non-performing loans in June 2015 decreased at 7.2% from 8.2% in June 2014 and they remain highly covered with provisions (119.3% in June 2015 compared with 116.4% in June 2014). Regarding the sectorial distribution of NPL, the real estate sector (including construction) was characterized with the highest decrease of NPL to 8.2% from 11.5% in June 2014. Trade sector, which represents the largest category of enterprise loans, also recorded a decrease of the NPL ratio which in June 2015 stood at 10.0% compared to 11.5% in June 2014. On the other hand, the mining sector had the highest increase of the NPL ratio to 10.9% in June 2015 from 0.1% in June. Energy sector was characterized with the highest level of NPL (11.5 percent), while household sector had the lowest level of NPL (2.6 percent) in June 2015.

The average interest rates on loans continued its downward trend, while on deposits had a slight increase. The average interest rates on loans decreased to 7.6% in June 2015 from 10.6% in June 2014. The average interest rate on loans for enterprises in June 2015 stood at 7.4% (10.5% in June 2014), while for households it stood at 8.2% (10.8% in June 2014). The average interest rates on deposit in June 2015 increased to 0.8% from 0.6% in June 2014. The average interest rate on deposits for enterprises in June 2015 stood at 1.0% (0.3% in June 2014). For household deposits, the average interest rate stood at 0.8% in June 2015 (0.6% in June 2014). The interest rate spread between loans and deposits, on average, decreased at 6.8 percentage points from 10.0pp in June 2014.

The banking system of Kosovo has reported a profit of EUR 46.2 million as of June 2015, compared to the profit of 26.9 million until June 2014. The profit generated was mainly a result of the significant decrease of expenditures (expenses regarding interest paid on deposits and expenses for provisions on loan losses).

The structure of pension sector assets remains dominated by Kosovo Pension Saving Fund (KPSF) which manages 99.5% of total assets, while the remaining of 0.5% is comprised of the assets of Kosovo-Slovenian Pension Fund (KSPF). Total assets of the sector assets in March 2015 reached a value of EUR o 17.1 billion, marking an annual growth of 23.1%. Kosovo Pension Savings Fund (KPSF) continued to mark a growth in assets and have positive net return on investments in the first months of 2015. The assets under KPSF management amounted EUR 1.17 billion as of March 2014, annual growth of 23.2%. While, gross return on investments amounted at EUR 54.8 million until March 2015 compared to EUR 10.0 million until March 2014. KSPF was also characterized by increased activity and performance during the first quarter of 2015. In March 2015, the value of total assets of KSPF reached 6.1 million EUR os, marking an annual growth of 10.6%. This growth is attributed to the return on investments, which until March 2015 amounted to EUR o 208.3 thousand.

The insurance sector is characterized with the lowest degree of foreign ownership (67.1% as of March 2015) and market concentration (35.0% as of march 2015) within the financial system. Total assets of the insurance sector recorded an annual growth of 7.3%, reaching EUR o 141.9 million in March 2015. Within total assets, non-life insurance assets reached EUR o 127.4 million, while life insurance reached EUR o 14.5 million. The value of gross written premiums in March 2015 reached EUR 21.4 million, an annual

increase 16.0%. Out of total gross premiums, 97.0% of premiums consisted of non-life insurance, while only 3.0% of premiums consisted of life insurance. Until March 2015, the insurance industry in Kosovo paid EUR 8.2 million⁴ in gross claims, an annual increase by 15.9%. As of March 2015 the insurance sector of Kosovo managed to decrease the losses to EUR 0.2 million from the EUR 0.7 million in March 2014.

Microfinance sector remains mainly foreign owned with 92.3 percent of total assets being under foreign ownership and has a market concentration ratio of 51.5% as of June 2015. Total assets of the sector in June 2015 reached the value of EUR 116.3 million recording an annual growth of 2.8 percent (0.2 in June 2014). Total value of loans reached EUR 77.9 million in June 2015, which is an annual increase of 2.8 percent (2.0 percent in June 2014). The increase in total loans was as a result of increase of loans to enterprises while loans to households marked a decline. Microfinance leasing activity marked an annual growth of 2.0 percent in June 2015, reaching EUR 23.0 million. Microfinance institutions until June 2015 made a profit of EUR 1.2 million. The profit was a result of an increase in interest income while expenditures decreased mainly as a result of reduction of provisions on loan losses.

2.2. Capacity to Cope with Market Forces within the Union

2.2.1. Human and Physical Capital

Human capital

Implementation of New Curriculum Framework and Core Curriculum is extended to 100 schools, at all levels of pre-university education. Special attention was paid to the process of teachers' professional development. Two Administrative Instructions relating to the teaching staff are issued, such as: Administrative Instruction on normative for teachers, and Administrative Instruction on Teachers' Professional Development. Moreover, the Administrative Instruction on Establishment, functioning and composition of the Council for Vocational Education Training and Adult Education is issued. The Agency on Vocational Education and Training and Adult Education is established. The Council for Vocational Education and Training and Adult Education is established with a three year mandate. This Council provides a mechanism for coordinating implementation of vocational education and adult education policies with institutional, social partners, and industry. The legal basis and administrative instructions on functioning of the National Qualification Authority, recognition of prior learning and validation and licensing of adult education providers is completed.

In the view of implementation of new curriculum, it took place the training of 2,450 teachers in the pilot schools and their mentoring and monitoring. The training is provided by MEST and KPI for pre-primary education, primary, 7 curriculum areas for lower secondary education and of upper secondary education (gymnasias and vocational schools). Two occupational standards and two new curricula were developed based on the labour market needs. Trainings were delivered to 70 teachers on methodology and didactics, as well as on vocational didactics, moreover, training was delivered to 54 teachers on virtual firms. Training was provided for 5 (five) multipliers (trainers trainer) for entrepreneurship in VET.

In relation to investments in Research and Development, during the period May-August, the following activities were implemented:

- Scientific Conference "Week of Science " on the date: 12-15 May 2015 (EUR 23.000 thousands invested)
- A beneficiary with the scientific research published with impact factor in the medical field (monetary value 1.180 EUR o (a call for application is opened until 20.09.2015. (for this destination, DST planned 100.000 EUR o). With the request of the SC of MEST for publication of the book "Lexicon of MA and PhD graduates in the Albanian territories 1400-2000", whereby the Minister of MEST approved the request of the SC and the book will be published (approximately 6.000 EUR o)
- 23 mobilities were supported and EUR 11.900 thousands.

⁴ Excluding the claims paid by the Kosovo Insurance Bureau.

Table 18: Statistics on all levels of education for year 2014-15

Education Level	Male	Female	Total
Pre-primary in kindergarten (1-6 years)	2,790	2,580	5,370
Pre-primary (5-6 years)	10,739	10,136	20,875
Primary and Lower Secondary (Grades 1-9)	142,460	133,427	275,887
Upper Secondary	45,796	40,423	86,219
Univeristy/College			116,216
Of which:			
in public sector ⁵			83,067
In private sector			33,153

School dropout

Table 19: Number of students drooped school in primary and lower secondary by gender

Academic year	School dropout	Male	Female
2014/15	528 (0.19%)	274 (51.9%)	254 (48.1%)

Table 20: Number of students drooped school in upper secondary education by gender

Academic year	School dropout	Male	Female
2014/15	1445 (2.45%)	1120 (77.5%)	325 (22.5%)

Table 21: School dropout by ethnicity - academic year 2014-2015

Grade	Albanian			Turkish			Bosnians			Gorani			Ashkali			Roma			Egyptian			Total		
	M	F	T	M	F	T	M	F	T	M	F	T	M	F	T	M	F	T	M	F	T	M	F	T
Gr. 1-9	145	128	273	0	0	0	0	0	0	1	0	1	63	64	127	58	54	112	7	8	15	274	254	528
Gr. 10-12	1096	316	1412	4	1	5	15	7	22	0	0	0	0	0	0	3	0	3	2	1	3	1120	325	1445

Based on Matura Exam results, MEST has published the data indicating that 17,500 or 53% of students passed the matura exam, while 15,500, or 46.9% who did not pass will be given opportunity to re-take it during August. Following the August exam re-take results will be published national matura exam pass rate for academic year 2015-2016.

320 new candidates were included in the trainings in the field of Vocational Education and Training (VET), according to the VTC data for May-July 2015, of which 98 females, 4 returnees and 4 people with disabilities. Within this period, 686 persons were certified in VTC. Other activities in VET, are as follows:

- The training phase of UNDP pilot project on entreprenEUR ship, organized in three VTC, Prishtinë, Prizren dhe Gjilan is completed. VCT has certified the successful candidates, and in meantime, in cooperation with the supporting project will be selected candidates with best business plan, who will be awarded with grants supported by UNDP for establishment of those new businesses.
- Based on the memorandum of understanding between MEST and HELP, where within this project will be supported social-economic stability through strengthening of micro-business sector in Kosovo, thus, this project will be implemented from May 2015 until December 2016 in the following municipalities: Prishtina, Mitrovica, Ferizaj, Graqanica, North Mitrovica, Laposaviq, Vushtrri and Gjilan. Through this project are planned to be awarded total of 430 grants, by offering equipment so that the beneficiaries may be able to start or expand their existing businesses.
- The training and certification of candidates within the Memorandum of Understanding concluded between MLSW and Bosnian Community, represented by PM Duda Balja, is completed. The beneficiaries of training were jobseekers (candidates) from Bosnian Community from rural areas of

⁵ Including 10,264 students of the University of North Mitrovica

Dragash in hairdressing profession. Training is held in two locations, in Lubizhe 13 candidates, and in Reqan 37 candidates.

- The Memorandum of Understanding with the Foundation Kosovo-Luxembourg is signed, aiming to support vulnerable groups in the most remote municipalities of Ferizaj region, in order to include them in the vocational education programs delivered in the VTC in Ferizaj.
- Project EYE for this year has also allocated means to support the VED in two following areas: capacity building of trainers and development of curricula.
- The cooperation with Ministry of Justice is ongoing in relation to the trainings provided in the correctional centres in Dubrava and Lipjan, respectively training on: monitoring from trainers and coordinators for quality assurance; support and supply with relevant textbooks for occupations developed in the training centres of the prisons; learning package; issue of certificates etc. The cooperation with the correctional centre in the North Mitrovica is in ongoing in order to increase training capacities and we shall continue supporting training of candidates in detention, similarly to correctional centres in Dubrava and Lipjan.
- Agreement with Red Cross is completed. Within this Agreement, 30 jobseekers in VCT Prizren in the following occupations: business administration, auto-electricity, household equipment service, entrepreneurship, ICT and Hairdressing. After completion of the trainings, the trained candidates were supported by Red Cross in setting-up their businesses.
- The agreement with DVV-international is concluded for provision of training for the candidates in Has area in the tailoring courses. The project on functioning of workshop, recruitment of trainer, allocation of curriculum in use of training, and professional support during training, is supported. This Project is foreseen to be completed by the end of the year, following this period, tailoring workshop equipments, as provided by the Agreement, shall be transferred in the ownership of VTC Prizren.

Physical Capital

The trend of private investment has oscillated largely driven by external (EUR zone crisis) and internal factors. The change of prices for construction material had a significant impact in the movement of private investments, since it is considered that the private investments are dominated by construction. Private investments are estimated to grow in 2014 and 2015. See table below for details.

Table 22: Private and public investments (MTEF 2016-2018)

Year	2011	2012	2013	2014 Est.	2015 Proj.
Private investments	1,003	837	942	1,074	1,151
Public investments	528	550	529	411	436

Note: Data for 2014 are an estimate, whereas for the purpose of projections the 96% execution rate is assumed for capital expenditures

In the telecommunications sector, historically there is a low scale development of the **landline telephony** in our country. Upon liberalization of this market, the entry of alternative operator (IPKO) was enabled which constitutes a competition to the then monopoly operator PTK (ToK). Also, the Operator Kujtesa have authorization to provide landline telephony services. However, the penetration in the landline telephony did not mark any increase, but varies below penetration level of 5%. Penetration of landline telephony, market share by penetration of operators is provided in the figure below:

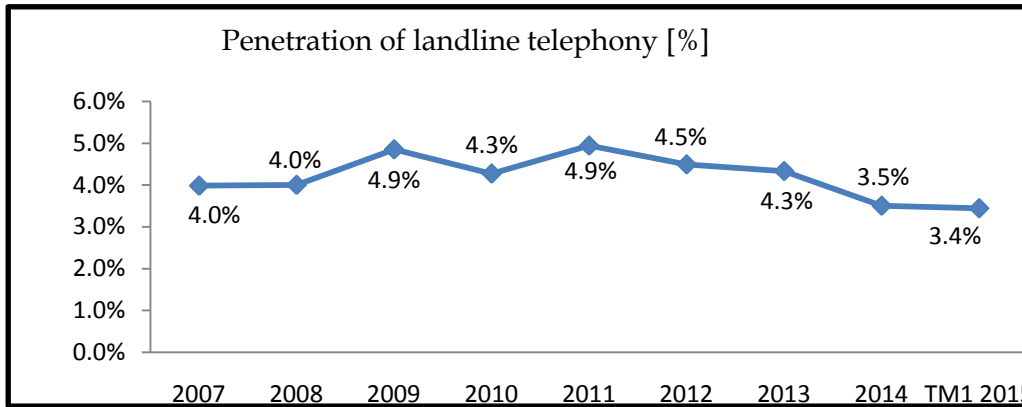


Figure 1: Penetration of landline telephony by years⁶

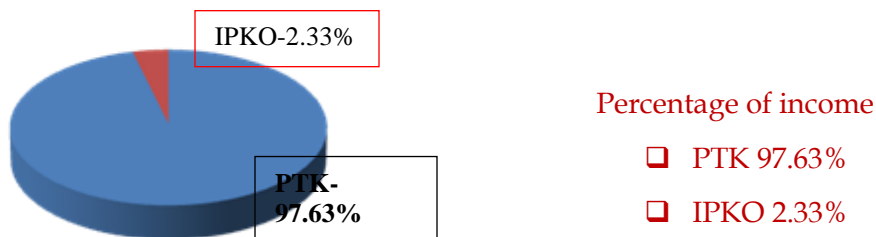


Figure 2: Share of landline telephony in Kosovo by income.

Such a low development trend of landline telephony is noticed also at the global level. Therefore, there is no need for concern, because the main reasons for low penetration at the country level are ongoing evolutions of other services substituting landline services, simultaneously offering added value to the development of electronic communications.

The **mobile telephony** market in Kosovo has the largest penetration in comparison to all electronic communications. According to recent reports published by RAEPK, the total number of mobile telephony users in our country at the end of the first quarter of 2015 amounted to total of 1,676,287 users. Incomes from mobile operators consist about 77% of all incomes from electronic communications market. Currently, there are only two licensed operators for providing mobile telephony services, and coverage of the population is nearly 100%. In the mobile telephony market are also two mobile virtual operators (MVNO)⁷, which have entered into contracts with VALA and IPKO operators. Based on the last census data, it shows that penetration of mobile telephony covers 92.33% of the territory, implying high rate of population inclusion in these services. This increasing trend has continued in recent years. Penetration of mobile telephony, market share between operators by income and by number of subscribers are presented graphically in the following figures:

⁶Source: RAPEC, "[Pasqyrë e tregut të komunikimeve elektronike për TM1 2015](#)" (Overview of electronic communications market for Q1/2015)

⁷ Mobile Virtual Network Operator

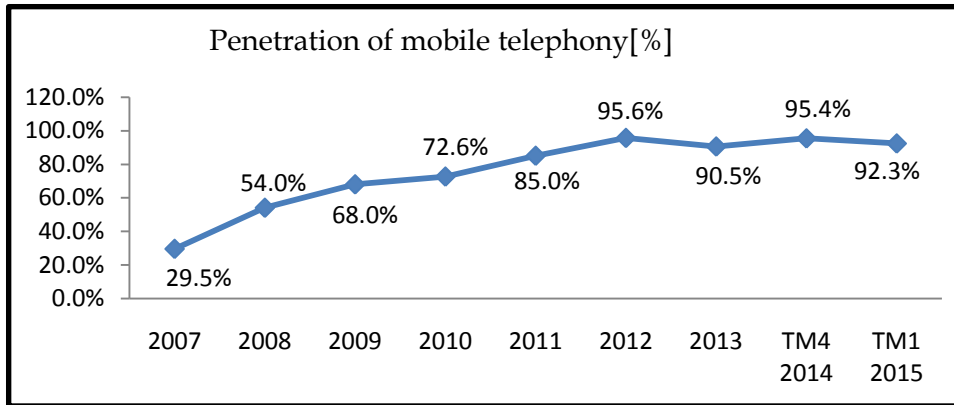


Figure 3: Penetration of mobile telephone by years

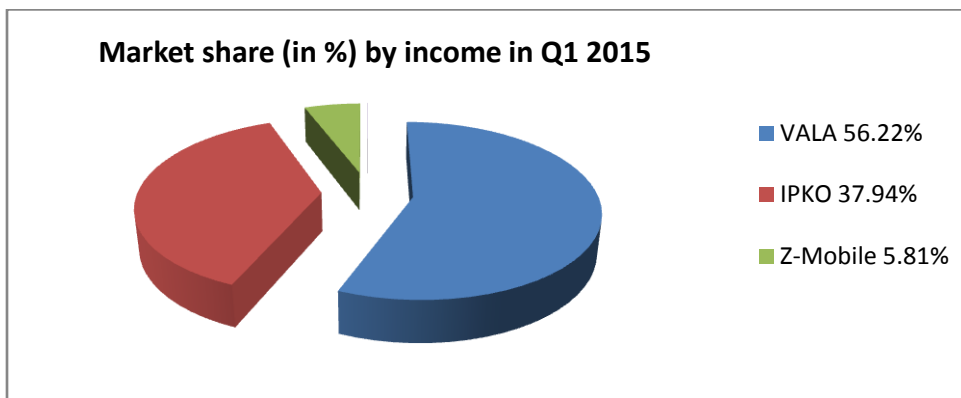


Figure 4: Market of mobile telephony in Kosovo by income

Internet **provision** to the citizens of our country is relatively satisfactory. More than 50 operators authorized by RAEPF provide this service in the entire territory of country, while 5 of them have access to international communication nodes. Officially, penetration per household was around 65.15% or 10.66% per population, whereas the speed and quality are at the very high level. Practically, the penetration is higher than the official statistics (over 70%).

Beside from the internet provision with fixed access, now is possible to use the internet via mobile access. Mobile Broadband or broadband internet access through mobile network to mobile phone users in Kosovo is enabled since December 2013 (the 3G technology) and now, in early 2015, also through latest technology LTE or 4G. According to data reported by RAPEF, the number of active users accessing web through this technology is constantly increasing, whereas this number during Q1 2015 turned to be 358.184 users, which marks an increase of 26.12% compared to Q4 2014. Penetration of mobile access in internet through 3G and 4G network for the period Q1 2015 reached 19.74%.

Internet penetration per household, internet market share by users and by incomes is indicated in the following figures:

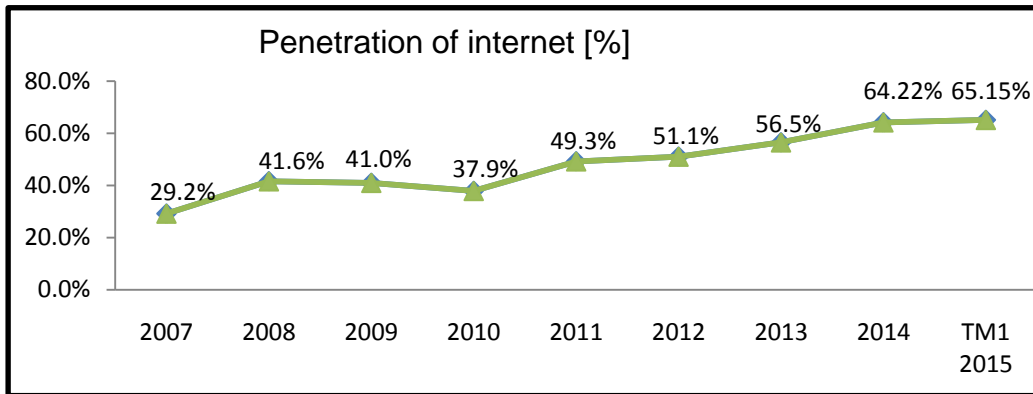


Figure 6: Penetration of internet by household and population by years

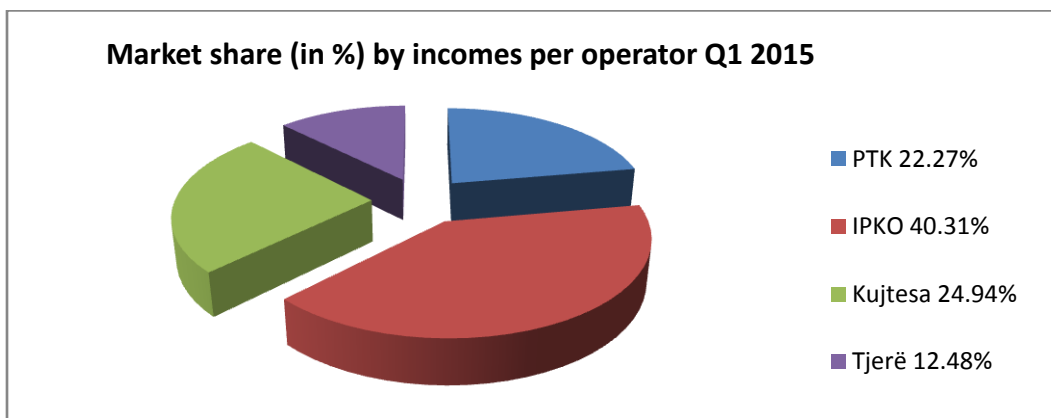


Figure 7: Market share (in %) by incomes per operator Q3 2014

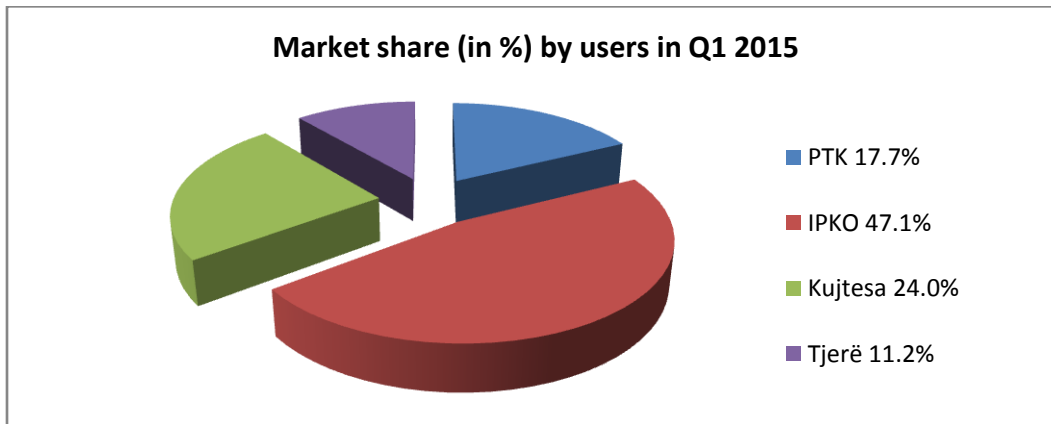


Figure 8: Market share (in%) by users in Q1 2015

With regards to the **road infrastructure**, the construction of Prishtina-Hani i Elezit highway, started in July 2014, is ongoing. The works are being conducted in the highway segment C1 of R6/R7-N2 highway access. It is mainly being worked in opening of filling track, buffer, paving, works on objects and dislocation of installations. So far, 15 km of route are opened divided in two lanes: Access R7/R6 - connection with national road N2. Six culverts have been completed and three underpasses have been built.

Deployments of installations are being carried along highway track, including the network of Iber-Lepenc Hydro-system, dislocation of KEK , KOSTT and Pristina Regional Water Company installations, where initially are designed installation dislocation projects which afterwards were approved by the public companies.

Rout 7 Morina - Prishtina-Merdare

After the release to circulation of segments 1-9 of the road Vermice Pristina - Besi, the Ministry of Infrastructure in collaboration with the EBRD and EIB will carry out the Feasibility Study for Rout R7 segment Besi - Merdare (border with Serbia) and then to commence the construction of remaining segment. Terms of Reference have been prepared and it is expected to start with the preparation of the Study.

Contracted works from previous years on the expansion of National Road N9 until Gjurgjica have been completed. During the reporting period, the works on three lots contracted in 2013 for the expansion of the road N9-the segment Gjurgjica -Kijevo, total of 8.75 km and bridge in the location of Llozica continued. During this report period 65% of this segment is completed.

Furthermore at the end of 2014 were signed contracts for two other lots for expansion of the Rout N9 road from Peja towards Prishtina, L = 6.7 km. Works in this segment have not started yet since the existing project is being reviewed. For remaining segment: Kijeva-Zahaq, the Terms of Reference have been prepared in cooperation with WBIF (Western Balkan Investment Framework) and EBRD, Consulting company has started with the completion of the Feasibility Study. In the reporting period, Consulting Company has submitted the Inception Report of the feasibility study and is also working on an environmental impact report for the segment Kijevo - Zahaq (30km) and the supplementing of the implementing project will take place, as a precondition for commencing the implementation of the project.

During the reporting period, the works from contracted lots in 2013 for further expansion of the Route N2 segment Millosheva - Vushtri in a length of 16.7 km, construction of bridge in Millosheva and construction of the underpass in Stanovc village, continued. During this reporting period, 82% of this Rout segment is completed.

In 2014, the Ministry of Infrastructure has contracted the project: Expansion of the regional road R102 Komoran - Skenderaj, the segment from Upper Klina - Morina which is contracted in seven lots in the length of 13.1 km. During this reporting period, 50% of this project is completed.

Contracted Projects in 2015:

Until the end of the reporting period a total of 11 contracts have been agreed:

- 1 contract for national roads - 17.00 km.
- 2 contracts for regional roads - 21.50 km.
- 4 contracts for local roads - 23.80 km.
- 4 contracts for project development.

With regard to the **energy** sector, a contract has been signed with EC for implementation of the project "*Promotional Campaign for EE and RES*", whereby its implementation is already started pursuant to the ToR, and the project on "*Support Programme on Energy Audits in public service buildings*", has finalized all procedures and now it's in the implementation phase.

With regards to the developments in the gas sector: *Research - Identification of consumption of natural gas in industry and households, and the possibility of connection is on regional gas pipeline (TAP - IAP).* ", the draft project fiche is finalized pursuant to IPF model, a project that we have foreseen to apply at WBIF during 2016/2017.

2.2.2. Sectorial and Enterprise Structure

According to the data provided by Kosovo Business Registration Agency (KBRA), 2,954 new businesses were registered during the reporting period May – August 2015. As the following table below shows, 29% of them were registered under the wholesale and retail trade and repair of motor vehicles and motorcycles, followed by accommodation and food activities with 11% and manufacturing with around 10% of the new registered companies.

Tab 23: Sectorial structure of newly registered companies in the period May – August 2015.

Sector	No. of Companies	Percentage
Agriculture, forestry and Fishing	240	8.12%
Mining and quarrying	16	0.54%
Manufacturing	290	9.82%
Electricity, gas, steam and air conditioning supply	8	0.27%
Water supply; sewerage, waste management and remediation activities	13	0.44%
Construction	223	7.55%
Wholesale and retail trade; repair of motor vehicles, motorcycles	863	29.21%
Transport and storage	147	4.98%
Accommodation and food activities	332	11.24%
Information and Communication	114	3.86%
Financing and Insurance Activities	24	0.81%
Real Estate Activities	19	0.64%
Professional, Scientific and Technical Activities	161	5.45%
Administrative and Support Service Activities	82	2.78%
Public Administration and Defence; Compulsory social security	10	0.34%
Education	32	1.08%
Human and Social Working Activities	67	2.27%
Arts, Entertainment and Recreation	96	3.25%
Other Service Activities	216	7.31%
Activities of Households as Employers; Undifferentiated goods-and services producing activities of households for own use	1	0.03%
Activities of extraterritorial organisations and bodies	0	0.00%
Total	2,954	100%

Some 463 companies were closed during the reporting period May – August 2015. Similar to the opening of new companies, the majority or 35% of the closed companies during the current reporting period are from the wholesale and retail trade and repair of motor vehicles and motorcycles, followed by accommodation and food activities for 11% and transport and storage with more than 10% of the closed companies. For a detailed list of closed companies by sector, see Table below.

Table 24: Sectorial structure of closed companies in the period May – August 2015.

Sector	No. of Companies	Percentage
Agriculture, forestry and Fishing	35	7.56%
Mining and quarrying	1	0.22%
Manufacturing	25	5.40%
Electricity, gas, steam and air conditioning supply	2	0.43%
Water supply; sewerage, waste management and remediation activities	2	0.43%
Construction	44	9.50%
Wholesale and retail trade; repair of motor vehicles, motorcycles	165	35.64%
Transport and storage	49	10.58%
Accommodation and food activities	53	11.45%
Information and Communication	7	1.51%
Financing and Insurance Activities	0	0.00%
Real Estate Activities	4	0.86%
Professional, Scientific and Technical Activities	10	2.16%
Administrative and Support Service Activities	12	2.59%
Public Administration and Defence; Compulsory social security	0	0.00%
Education	2	0.43%
Human and Social Working Activities	7	1.51%
Arts, Entertainment and Recreation	11	2.38%
Other Service Activities	34	7.34%
Activities of Households as Employers; Undifferentiated goods-and services producing activities of households for own use	0	0.00%
Activities of extraterritorial organizations and bodies	0	0.00%
Total	463	100.00%

In the implementation of the Strategy for fighting the Informal Economy, Money Laundering and Terrorism Financing, the inter-institutional monitoring group has prepared its next quarterly monitoring report. According to the latest monitoring report some 37% of the measures of the Action Plan have been implemented. Some of the major activities implemented include:

Under Activity 2.4.4. of Action Plan for assessing the joint needs of public institutions, private entities and CSOs for prevention and detection of informal economy, the Trainings Division of the Kosovo Police has held the trainings below:

- Basic training for financial investigations, where 15 people attended. The training was held jointly with FIC, Customs, TAK, Central Bank, Agency for Confiscation of Assets etc,
- Advanced training on the interview techniques (20 officials participated), held by OSCE
- Training on the analysis of the economic crime, corruption and financial crime intelligence (6 officials trained), held by OSCE
- Training on the role of operational analysis and criminal intelligence on the fight against corruption (6 officials trained),
- Seminar on financial crime investigations, confiscation of assets, investigation of tax fraud and money laundering (6 officials), jointly held with OSCE, and
- A seminar on the Fraud (1 official) and seminar on investigating the public corruption (10 police officials), by the American Embassy

Under Activity 2.4.5. of Action Plan for “Creating the standard procedures for recruitment, training and certification of police officers and other experts to authorise conduct of financial analysis, the following has been done:

- AI on Computer experts has been adopted,
- SOP for expert and computer analytics have been adopted,
- Two (2) experts have been certified for computer and financial analysis and the court system has been notified. The subject of the certification was the detection and investigation of complex financial crime cases
- AI on Financial Experts has been adopted,
- Nine (9) experts have been certified and the courts have been notified about this.

On Inter-institutional cooperation, MoU's have been signed between relevant institutions for access to information and databases of respective agencies (FIU, Kosovo Prosecution, Police, Customs, Tax Administration) to ease the process of detecting financial crimes. This aims to further strengthen the cooperation and coordination of efforts. The following MoU's were signed:

- Memorandum of Cooperation signed between FIU, Prosecution, Police, Customs and Tax Administration,
- Memorandum of Understanding with Civil Registry Agency on the exchange of information and increased cooperation with the aim of preventing money laundering and terrorism financing.

Reform and liberalization of network industries

There are no developments or changes to report.

2.2.3. State Influence on Competitiveness

After restructuring of Prishtina International Airport, the process has continued with Kosovo Railways, the unbundling of distribution and supply from KEK, the separation of Post of Kosovo from PTK (Vala and Telecom) and with the help of USAID has started restructuring of KEK through the dissolution of the coal division, TC Kosovo A and TC Kosovo B. The process is in the very initial stage.

State Aid; the state aid scheme covers the railway, electricity, district heating, water and waste sectors. This state aid is awarded through the support program for implementation of capital projects aiming to improve public services towards citizens, and the second program: Subsidies on covering operational costs for social cases (energy bills), minority communities (Water in the North of Mitrovica) costs of purchase of heating oil and covering costs of railway operating and free movement of trains.

MED ensured monitoring and oversight mechanisms on the use of respective state aid in line with the Strategy on PE subsidizing policy 2015, signing with each beneficiary as Public Enterprise an Agreement on Control and Monitoring, by which agreements is set the transfer mode of State aid, form and reporting, auditing period, etc.

2.2.4. Economic Integration with the EU

Trade balance in goods

During the period January - June 2015, trade exchanges in goods amounted to EUR 1.360 million, which results in an increase of EUR 78 million in comparison to the same period of the previous year. Goods exported in this period amounted to EUR 161 million or 15% increase. In this period, Kosovo foreign trade constituted 88% of imports and 12% exports, thus compared to the same period of the previous year, overall trading volume ratio remains the same. Imports amounted to EUR 1,198 million with a increase of nearly EUR 58 million, respectively 5% higher.

Table 25: Kosovo Foreign Trade performance indicators

Indicator/Year	2008	2009	2010	2011	2012	2013	2014
Trade dependence index	54.0%	52.4%	57.2%	58.9%	56.6%	51.5%	52.2%
Export propensity index	5.0%	4.1%	6.9%	6.7%	5.6%	5.5%	5.9%
Export-import coverage index	10.3%	8.5%	13.7%	12.8%	11.0%	12.0%	12.8%

Trade with EU countries

Kosovo Trade Exchanges with EU countries during the first half of this year amounted to EUR 556 million; therefore 41% of Kosovo trade exchanges, during this period, were with the EU countries.

However, in terms of exports for the first half of this year the bulk of the goods exported to these countries amounted to EUR 56 million or 35% of total exports, but with a decrease of 1% compared in comparison to the first half of 2014. However, it is noteworthy to mention that there is a big difference with regards to goods export by destination or export markets within the EU countries. Thus, the bulk of exports was oriented to Italy and Germany but now the situation is different. Belgium has appeared as a very attractive partner for Kosovo exports during this period with increase of exports from EUR 340 thousand as it was in the first half of last year to EUR 13.4 million this year, a change of such exports is also featured in exports with France.

Tab 26: Top 5 countries that Kosovo exported the most in first half of 2015

Country / Time period	I - VI 2014 EUR	I - VI 2015 EUR	Difference EUR	↓↑%, 2015/14
Italy	33,522,180	16,271,759	-17,250,421	-51.5
Belgium	340,738	13,421,393	13,080,654	3,838.9
France	485,296	4,788,932	4,303,636	886.8
Germany	4,894,652	4,669,771	-224,882	-4.6
Austria	2,794,555	3,553,371	758,816	27.2

The export structure

The exports structure remains unchanged, dominated mainly by base metals and ferronickel which covers over 50% of Kosovo total exports to EU countries.

Tab 27: The value of goods traded in% by country groups

Country groups	EXS/ IMP	2008	2009	2010	2011	2012	2013	2014	I - VI /2015
EU	Export	47.8%	43.1%	44.5%	43%	38.4%	39.4%	30.2%	34.8%
	Import	36.2%	39%	38.3%	38%	38.7%	41.3%	42.6%	41.8%
CEFTA	Export	30.9%	32.3%	23.5%	26%	36.8%	36.4%	39.2%	34.7%
	Import	37.5%	35.7%	37%	35%	33.7%	30.6%	28.4%	30.4%
Other	Export	21.3%	25.2%	32%	31%	24.8%	24.1%	30.6%	30.5%
	Import	26.2%	25%	24.5%	27%	27.6%	28.1%	29%	27.8%

Trade Balance in Services

In contrast to goods, trade in services in the period January - May 2015 (5 month period) amounted to EUR 408.8 million with an increase of EUR 58.7 million or 16.7% compared to 2014. Based on the balance of payments, the service export for this period was EUR 256.6 million, while imports were EUR 148.2 million. The sectors that resulted in most incomes from services export were: travel services with EUR 163.7 million; business services EUR 23.5 million; Computer services, information and telecommunications with EUR 23.1 million; and government services with EUR 14.3 million.

With the regards to the export/import amount as GDP percentage, statistics indicate that exports of services constitutes 5.1%, while import of services for the period represents 2.9%.

Regarding the statistics with EU countries and CEFTA countries currently we have no available information, since Statistics Agency and the Central Bank still does not have available such data.

3. EUROPEAN STANDARDS
3.1. Internal Market
3.1.1. Free Movement of Goods

Standardization

As regards the adoption of new standards, for the reporting period a total of 501 standards have been adopted as Kosovo standards and 120 are in public discussion (58 on the field of wood processing and 62 on agrifood technology. Details of adopted standards are elaborated in the table below.

Table 28: Statistics on standards adopted during May – August 2015

Fields	No. of Standards Adopted
Environment	207
Electro technical	250
Toys, Sports equipments and Recreation	44
Total	501

On the *administrative capacities*, the following trainings have taken place:

Table 29: Trainings of administrative capacities

Type of Training	Venue	Date	No. of Participants
Quality infrastructure (translation of standards)	Sofia, Bulgaria	May 2015	1
Standards database - SMIS	Sofia, Bulgaria	June 2015	4
General Assemble of CEN/CENELEC	Riga, Latvia	June 2015	2

With regards to cooperation with other regional and beyond counterpart organizations, the Kosovo Standardization Agency (KSA) on 5 June, 2015 has signed a Memorandum of Understanding with the Austrian Standardization Institute (AST) in Riga, Latvia. The aim is to strengthen cooperation relations among the two countries.

Accreditation and Conformity Assessment

As regards *accreditation*, during the reporting period, activities undertaken from the Kosovo Accreditation Directorate (KAD), include accreditation, re-accreditation, and continued regular surveillance of Conformity Assessment Bodies (CABs) including both testing laboratories and inspection bodies. In more details, KAD:

- Accredited 2 inspection bodies and 2 testing laboratories;
- Re-accredited 2 testing laboratories;
- Conducted regular surveillance of 2 inspection bodies;
- Received applications for accreditation of 2 testing laboratories.

With regards to implementing existing legislation, an assessment has been carried out regarding compliance of the national legal framework with EU legislation. Such assessment was made possible through the EU funded project “Free Movement of Goods”.

On the *administrative capacities*, KAD is obliged to train its staff continuously according to requests from standards SK EN ISO/IEC 17011 and regulations of European-Cooperation for Accreditation (EA), International Laboratory Accreditation Cooperation (ILAC) and International Accreditation Forum (IAF). Therefore, based on its annual program KAD organized trainings as listed in the table below.

Table 30: Training sessions organized by KAD

Topic	Venue	Date	No. of Participants
Training on service quality management in accordance with International Standards, knowledge of standards for quality management system ISO 9001: 2008 and versatility in the application of standards for quality management, organized by the Kosovo Institute for Public Administration	Prishtina, Kosovo	18-19 May, 2015	2
Training on Regulation CPR EC305/2011 and Accreditation of CABs for building materials	Istanbul, Turkey	25-28 May, 2015	2

With regards to awareness rising for quality infrastructure, a round table with regional businesses was organized in Pejë on 7 July, 2015.

Metrology

In terms of legislative developments, Administrative Instruction No. 02/2015 for the Period of Verification of Legal Measuring Instruments, Method of Implementation and Re-calibration Periods for Etalons used for Verification of Legal Measuring Instruments has been approved on 1 July, 2015. This UA sets periods of verification and re-calibration for etalons and legal measuring instruments that have their first verification and methods of implementation as well as the period of time for etalons used for verification of legal measuring instruments.

On the administrative capacities, a number of trainings took place during the reporting period to increase the competence of the Metrology Agency staff. View table below for the complete list of trainings:

Table 31: Training sessions attended by the Metrology Agency staff

Topic	Venue	Date	No. of Participants
Training on calibration of thermometry	Prishtina	May 2015	3
Training on calibration of measuring instruments	Prishtina	May 2015	3
Training on calibration of measuring instruments for humidity	Prishtina	June 2015	3
Review of management plan	Prishtina	June 2015	6
Verification of blood pressure instruments	Prishtina	June 2015	4
Calibration of oil reservoirs with volumetric method	Prishtina	June 2015	5

In terms of awareness raising activities, Metrology Agency in cooperation with the EU project "Free Movement of Goods", in the occasion of the World Day of Metrology have organized a conference on the role of metrology in the EU's Stabilization and Association process - the research results on needs of Metrology.

Market Surveillance

On implementing measures, market inspectorate for the reporting period has conducted the following activities:

- 505 inspections of economic operators in the private sector in the field of general safety of products, petroleum and its derivatives, precious metals, legal metrology etc.;
- 85 samples of oil products have been tested in accredited laboratories;
- 6 economic operators who deal with retail petroleum have been closed temporarily due to their operation without a valid license;
- 44 decision-rulings have been issued, imposing fines on economic operators who have exercised in violation with the laws in force.

Regarding sized products, during the reporting period the following products have been seized:

- 171 DVDs;
- 213 CDs;
- 538 books of different authors;
- 108 pairs of sports shoes;
- 53 pairs of sports clothing;
- 939 pieces of logo with trademarks (MK, LV and PRADA).

Market Inspectorate has received and reviewed 34 consumer complaints, all of which were resolved in favour of the consumer. Economic operators have filed eight complaints against decision rulings of market inspectors and the same have been examined and decided according to the laws in force.

On the capacity building, the following trainings have been attended by market inspectorate staff.

Table 32: Training sessions attended by inspectorate staff

Topic	Venue	Date	No. of Participants
Market Surveillance Regional Network	Belgrade, Serbia	May 2015	2
Study visit for quality infrastructure	Slovenia	June 2015	2

Consumer Protection

There are no legislative developments in this reporting period.

The Consumer Protection Council met 3 times during the reporting period. The focus of such meetings was about drafting of the Consumer Protection Program 2016-2020. The latter is expected to be up for public discussion by end of September 2015. The program will be part of the strategy for development of private sector and is expected to be finalized in November 2015.

In terms of *capacity building*, the following activities have taken place for the reporting period:

- Three visits from foreign experts have taken place:
 - First visit – Preparation of the strategy for consumer protection (25-29 May, 2015);
 - Second visit – Drafting of the five year plan for awareness campaigns (15-19 June, 2015);
 - Third visit – Assessment and comparison of the national legislation with that of the EU (6-10 July, 2015).
- Attended a working visit in Geneva, which aimed to finalize the draft resolution on consumer protection by UNCTAD (8-10 July, 2015).

On the *awareness raising activities*, during May and June 2015, leaflets have been distributed to elementary school students in Prishtina. At the same time, lectures were held with students to inform them about their right as consumers.

Department for Consumer Protection during the reporting period received a total of 74 complaints, out of which 31 have been solved in favour of the consumer, 21 lacked sufficient arguments, therefore had to be rejected and the remaining 22 are under the review process. Complaints were made regarding mismatch of prices, disregard of guarantees and products with expired dates.

Complaints addressed to the Division of Appeals of Financial Services Users within Central Bank of Kosovo are presented in the table below.

Table 33: Complaints to the Division of Appeals of Financial Services Users

Financial Institutions	Total Complaints	Solved in favour of clients	Rejected	Under review
Bank, IMF, IFJB	68	15	48	5
Insurance Companies	66	26	37	3
Total	134	41	85	8

3.1.2. Movement of Persons, Services and the Right to Establishment

Regarding the *Movement of Persons*, based on the Article 76 of the Law on Foreigners No. 04/L-219, pursuant to Article 17 of the Administrative Instruction No. 01/2014, on the Procedure for the Issuance of Residence Permit for Foreigners and Certificate of Labour Alert, Work Certificate for Foreigners of duration of 30 days, 60 days and 90 days within the calendar year have been issued. Therefore, based on the legislation in question, MLSW during the reporting period has issued 88 certificates for Announcement at Work.

As regards *Movement of Services*, regular meetings of groups and sub-groups for trade policy took place during the reporting period. On 22 May 2015 the fifth sub-working group on Industry took place which was attended by representatives of the Government of Kosovo, a large number of businesses in the industry sector, business associations and donors. During the meeting, businesses were informed about the changes occurring in the fiscal policy, requests addressed to the Ministry of Finances on exemption of raw materials from custom, and on the VAT and excise issue. Business representatives were informed about recent CEFTA developments with regard to trade facilitation and future activities. On 16 June, 2015 the fifth meeting of the sub-working group for Trade Facilitation took place. Among other things, recent developments regarding trade facilitation at the national level and CEFTA were discussed.

Moreover, the first meeting of the Subcommittee on Trade in Services was held in Chisinau on 1 July 2015. Representatives from all CEFTA members were present including representatives from the OECD and RCC.

With regards to the fourth round of negotiations, the meeting took place on 29-30 June, 2015 in Chisinau. The focus of this negotiation session was placed on finalizing the text of the horizontal commitments, exchanging positions on tourism, recreational, environmental and cultural services and aligning positions on business and professional services. Montenegro reserved its position regarding Annex 1 on presence of natural persons. CEFTA parties agreed to send officially a request to Montenegro to consider accommodating their domestic laws with Annex 1 and if not possible to achieve this at this point of time then to commit for transitional period of 2 years as of entry into force of the Additional Protocol. All parties agreed that the recognition of professional qualifications is very important for achieving substantial liberalization of trade in services, in particular in professional services and that this issue was further discussed within the Joint Working Group on Recognition of Professional Qualifications on 9 July, 2015 in Sarajevo, Bosnia and Herzegovina.

On the *right of establishment*, the only development to report for this period is the adoption of Administrative Instruction No. 03/2015 on Determination of Fees for Services provided by the Business Registration Agency, which has been approved on 21 July, 2015. The latter sets out the fees which shall be applied for Business Organizations for services provided by the Kosovo Business Registration Agency.

3.1.3. Free Movement of Capital

On the *legislative framework*, a number of developments can be reported as regards the CBK legal and regulatory framework:

- Regulation on Registration, Supervision and Activities of Non-Bank Financial Institutions (NBFI) has been approved by CBK Board on May 28, 2015. The purpose of this Regulation is to determine the conditions, requirements, procedures and time limits to be adhered by the interested applicants for registration of non-bank financial institutions. The latter determines the requirements for NBFI activities and surveillance as well as capital requirements depending on the type of financial activities that they operate with.
- Regulation on Determination of Premium's Structure for Compulsory Motor Liability Insurance entered into force on 24 June, 2015.
- Adoption of Regulation on Defining the Conditions and Criteria for Withdrawal of Funds from Kosovo Pension Savings Trust Participants with Permanent Emigration on June 23, 2015.
- In May 2015, complementary amendments were done to the CBK Regulation regarding the Deposit of Assets as a guarantee, Capital Adequacy, Financial Reporting, Risk Management, Investments and Liquidation. The main change deals with allowing insurance companies to invest in capital funds of charter capital and variables in securities issued by the Government of the Republic of Kosovo.
- Regarding the legal framework for financial services consumers' protection, the new Regulation on Internal Procedures for Handling Complaints which was approved by the CBK Board on September 2014 has passed the implementation phase and financial institutions have adopted the new requirements on handling the financial services consumer complaints.

Based on the best practices of the European Union countries and in order to further enhance the banking supervision function of the Central Bank of the Republic of Kosovo, the Risk Based Supervision Manual is prepared. The manual applies new approach for risk based supervision of banks. The manual focuses on the risks to which banks are exposed by allocating human resources and time to those particular risks. The manual contains also the evaluation system which is based on the risk matrix with a supervisory CAMELS rating system. The risk matrix of a particular risk covers: the inherent risk, quality of risk management, the overall level of risk and direction of risk. As a part of the examination procedures the manual specifies clearly pre-examination and examination activities. The Risk Based Supervision Manual is tested in two systemic and two smaller banks and is shown to be very useful. To this end, according to the internal procedures, the manual is submitted to the CBK Executive Board of the CBK for review/adoption.

The number of CBK staff increased to 202, from which 57 work for Financial Supervision Sector.

3.1.4. Customs and Taxation

Customs

In the area of customs, the activity associated with the merger of specialized teams of Kosovo Customs (KC) and the Tax Administration of Kosovo (TAK), on 22 July, 2015 the Government of Kosovo has taken a decision on joining the KC and TAK. The Working Group is going to be established by the decision of the Minister of Finance, which will further proceed with the planned steps as set in the initial document.

As regards *combating illegal activities and implementation of KC objectives*, Kosovo Customs during July has completed the following activities:

- 7 operations/control inside the market in Kosovo were organized together with AKQ, Kosovo Police and other sectors in Kosovo Customs;
- 11 activities were organized on the border green line of Kosovo (Border Police, EULEX and KFOR).

During the reporting period, a total of 11 cases of smuggling of goods were discovered, including prohibited goods such as 2 Gas Guns, marijuana, 1,620 litres of petroleum, 11 vehicles demolished, 792 kg of textile, auto-parts, 2.5 tons of bulk tobacco, 142 pairs of Nike clothings, and other items in small amounts.

With the aim of increasing cooperation between law enforcement agencies, Kosovo Customs has continued joint activities with the Kosovo Police, also developed some operations inside the market in Kosovo. Also, some activities were organized together with EULEX, KFOR and Border Police, mainly on the green line of Kosovo border. During August 2015 KC started joint patrols between Kosovo Customs Enforcement units and Anti-smuggling units of the Montenegrin Customs. Patrols were conducted in the neutral zone as well as at the border.

In the area of capacity building, there were no internal training activities. Training in the field of evaluation and classification of goods which are offered by the American Chamber of Commerce is expected to take place in September 2015.

Regarding the organizational structure on 15 July, 2015 Kosovo Customs has fully completed the organizational structure for management positions.

Taxation

As regards the legislative developments the Law on Corporate Income Tax (CIT), was approved on 22 of July, 2015 by the Assembly of Kosovo, also the Law on Personal Income Tax (PIT) was approved on 22 July, 2015 by the Assembly of Kosovo, once those laws are promulgated by the President, they will be published in the Official Gazette of Kosovo.

The number of active taxpayers was 74,477 taxpayers by the end of July 2015. The share of direct revenues collected was 50% out of total revenues. During the reporting period EUR 11,395,021.00 are collected from debt.

In order to raise awareness of taxpayers during July 2015, the following services were offered to taxpayers:

- Seminars/trainings for taxpayers;
- Presentations to stakeholders;
- Notices to taxpayers;
- Informing taxpayers/citizens through media pronouncements and interviews;
- Manual and other informative materials, such as leaflets, brochures, etc;
- Answers physically, electronically, through the website, etc;
- Cooperation with the business community;
- Meetings with business owners or representatives of businesses.

The number of services offered by the Service and Education Taxpayer are such as: 34 answers in physical form, 855 answers in electronic form, 39 responses to EDI, 326 answers through the website of TAK, 6 notices to taxpayers, 37 meetings with owners of businesses or representatives of businesses, 67,788 general services offered and 8 pronouncements and media interviews.

In order to prevent **tax evasion**, during the reporting period 117 activities were developed by Tax Investigation and Intelligent Unit (TIIU). During July 2015, 9 cases were detected by TIIU and information on these cases was provided to the Financial Intelligence Unit and Kosovo Police. A total of 33 pieces of intelligence information have been exchanged by TIIU.

Regarding the replacement of the current system SIGTAS with a new IT system, TAK has sent the budget requests to the budget review process where the demand is also attached to the project in recording the value of the new IT system. Furthermore, a meeting was held with the head of the EU office in Kosovo, representatives from Ministry of European Integration, Ministry of Finance and Tax Administration. During the meeting the head of EU office in Prishtina has given a commitment that the EU office will support a new IT project. In addition, during the month of July bilateral meetings were held with other

donors in order to ensure the rest of the funds. The implementation of the project can commence once the necessary funds are allocated, which are expected to be co-financed by Office of the EU and Kosovo. If funds are provided in 2016, then the chances for starting the implementation are eventually Q3 or Q4 2016. While the time period required for full implementation is 2 years. The new IT system will be crucial in the process of modernization of TAK which is a strategic goal.

On *capacity development*, a total of 20 training sessions were held. Trainings were mainly in areas such as international tax legislation, information technology and public procurement. There were 145 participants that attended these trainings. During the reporting period, three officers attended 5 days of study visit to Austria, the theme of the visit was "tax investigation and intelligence", sponsored by the TAIEX, also 1 officer attended 3 days conference in Vienna on the topic "transfer prices" which was sponsored by World Bank. Also in collaboration with GIZ TAK has developed 4 workshops where they discussed and reviewed feedback of projects that have the assistance of GIZ.

3.1.5. Competition

The Kosovo Competition Authority was unable to take any decision or other related activity to the implementation of competition policy as of April 2015 has no members on its Board.

During this reporting period the Competition Authority has been engaged more in the representation of court cases, in case material preparation and defend these case in Courts. Through this period, 9 sessions were held in the Basic Court- Department of Administrative Issues in Pristina and 4 sessions of complaints were also initiated in this Court by the KCA. Basic Court for Administrative Issues has so far issued two decisions in favour of Kosovo Competition Authority (one for the one insurance companies and the other for the cash registers) the same has provided the clause of validity and are in process of execution, and now there are 10(ten) cases left in the court. As regards, the Court representation KCA has carried out the following activities:

- KCA has imposed (12) administrative measures in the amount of EUR 1,200,000, were each company has been imposed administrative sanctions in the amount of EUR 100,000
- KCA has imposed sanctions to the 10(ten) insurance companies and for 2(two) companies for cash registers
- KCA complaint for additional completion of documentation for the 4 insurance companies: 1."Illyria"; 2."Elsig"; 3"."Dardania"; 4."KS Insig "

Kosovo Competition Authority has collaborated with various institutions such as Tax Administration of Kosovo, Kosovo Pension Trust, and Kosovo Agency for Forensics for the collection and processing of data. The following activities include opinions and different report for relevant institutions and organizations:

- Request of the NGO " Fol Movement" directed to KCA to provide and answer on access to official documents;
- Request from e legal company to answer on activities, guidelines, legislation and methodology that KCA uses on cases that deal with.

Besides the two companies mentioned above, the basic court for administrative issues has rejected 10 other decisions brought by Kosovo Competition Authority. In this regard, KCA has made an appeal to the Court of Appeal in Pristina and the case will be back to the Basic Court for Review.

KCA for the companies' listed below is in procedure of identification for persons that have signed the prohibited agreement against the Law 03/L-229 ON Protection of Competition:

- KS "CROATIA SIGURIMI" case nr A.172/2011 *the session held on 17 June 2015*
- KS "SIGURIA" case nr. A.2578/14 *the session held on 17 June 2015.*

- KS "SIGAL" case nr . A 166/11 *the session held on 29 June 2015.*
- KS "SIGKOS" case nr. A 182/11 *the session held on 03 July 2015.*
- KS "SIGMA" case nr. A. 2415/15 *the session held on 15 July 2015.*

State Aid

The State Aid Commission has held two meetings where the proposed draft law on State Aid has been discussed by its members.

During this reporting period, State Aid Office has been supported by the EU Technical Support project "Further Development to Kosovo's Trade Policy" to prepare two documents on state Aid:

- Analytical report on the current state aid legislation
- Roadmap Document of State Aid

3.1.6. Public Procurement

As regards, *operational activities* of the Public Procurement Regulatory Commission, the Assembly on 03 August, 2015 has elected the President of PPRC and two Board Members for a five year mandate.

There were 1105 contracts signed with the open procedure, 5 with limited procedure, 59 with the negotiating procedures, 924 with quotation procedure and 1 minimal value. In total 2,094 contract notifications were issued, of which 851 supply contract notifications, 540 service notifications, and 703 were works contract notifications.

During the reporting period, the monitoring department has conducted 114 regular monitoring activities in 17 contracting authorities were 129 cases of violation of rules and provisions of public procurement law have been found.

Public Procurement Regulatory Commission has continued to monitor the notifications for higher value and midterm values contracts before they are published on the PPRC web page. During the reporting period 182 notifications have been issued for the contract before the publication on the website of PPRC.

On capacity building, according to the organizational chart the Public Procurement Regulatory Commission has 31 employees, of which three (3) are Board members .Three (3) IT experts have been recruited and started the work as of 01st May, 2015.

In addition, in cooperation with KIPA (Kosovo Institute for Public Administration) it has been held the advanced module training for public procurement officials. In total 131 participants attended this training with 15 modules and testing will take place in September.

There have been organised trainings for procurement officials, media community, in particular those that follow the economic field, auditors, prosecutors, judges and economic operators in cooperation with the Economic Chamber of Commerce supported by the EU project PLANET. Also, a seminar for public procurement officers for Prishtina, Gjilan and Peja was organized on 26 may 2015, where 16 officials participated in this seminar.

Public Review Body (PRB)

For the reporting period, Public Review Body has received a total of 162 complaints from economic operators submitted against the notification for contract award, notice of cancellation of procurement activities provided during the tendering procedures (contract notifications).

Out of 162 complains from economic operators, 111 have been reviewed by the PRB, whereas 51 complaints are being reviewed. Some 34% of complaints have been in favour of economic operators,

whereas in favour of contracting authorities has been 35%. There are 51 complaints being reviewed or in percentage 31%.

Central Procurement Agency (CPA)

Adoption of the list for centralized procurements has provided the basis to start and develop the centralized procurement activities. Procurement activities conducted by the Central Procurement Agency on behalf of the contracting Authority, article 95 paragraph 4 of PPL have been giving positive effects to meet the main principles of PPL- Efficiency and Cost. During the reporting period, the value of funds saved only for the framework agreement for the contract of fuel supply on behalf of 37 contracting authority is close to EUR 800,000.

3.1.7. Intellectual Property Rights

As regards the *legislative developments*, Law No. 04/L-029 on Patents and Law No. 04/L-026 on Trade Marks have been adopted in the Assembly on May 31, 2015. Both laws have been signed by the President and are published at the Official Gazette on 24 August, 2015. They will enter into force on 08 September, 2015.

The amended Law No. 04/L-065 on Copyright and Related Rights has been adopted by the Assembly on 23 July, 2015. Furthermore, the law on Copyright and Related Rights is fully aligned with the European Union directives in the field of copyright.

A working group to prepare the concept paper on Regulation for determining the individual compensation has been established. This sub-legal act will regulate issues such as compensation of authors in case of private and autonomous reproduction of material protected by copyright and related rights. In cases where work may be reproduced for private use, the authors are entitled to a special compensation for such production. The Regulation on determining the individual compensation is scheduled to be adopted by the Government at the end of the year.

On *capacity building*, a number of seminars, workshops, study visits and trainings have been organized during the reporting period specifically for the IPR officials working in respective institutions. The table below summarizes some of the main activities in this respect.

Table 34: Training sessions on IPR

Topic	Venue	Date	No. of Participants
Study visit on IPR program implementation and enforcement of Intellectual Property Rights	Washington, USA	05-23 April 2015	2
Workshop on Associations for Collective Management of Copyright	Tirana, Albania	15-17 April 2015	2
On job training for copyright and legal protection in Kosovo, remedies that can be used in case of violation of copyright	Pristina	June-July 2015	3
An official of Copyright and Related Rights Office has been registered to attend the online course on intellectual property and copyright in the WIPO digital platform	Online Course	03 August 2015	1

As to the procedure for registering and applications, during the reporting period Industrial Property Agency (IPA) has continued to accept applications for the registration of trademarks, patents, industrial design and GI's. In total there are 368 applications, 357 on Trademarks, 9 on Patents and 2 on Industrial Design.

Table 35: IPA examinations

	Trademarks	Patents	Industrial Designs	Total
Applications	357	9	2	368

Industrial Property Agency (IPA) currently consists of 8 permanent officers, 4 employees from other departments of MTI has been transferred temporary for a 12 month period and local experts were hired to work for the IPA in order to solve the backlog of applications. During the reporting period there were published two Official Bulletins.

From the backlog of cases that Industrial Property Agency had in the past, only 5.32% of cases remained to be completed. For details on cases backlog for the reporting period 01 May 2015 – 31 August 2015 see table below.

Table 36: Backlog of cases on Trademarks

Completed	Under examination procedure	Not examined
70.57%	24.1%	5.32%

For details on Trademarks examinations for the reporting period 01 May 2015 – 31 August 2015 see table below.

Table 37: Trademarks examinations

Categories	No.
Decisions for registration	1,421
Decisions on continuation	314
Decisions for changes	98
Trademark certifications	1,228
Notification for the payment decision	2,947
Decision to refuse the application	1,456
Published Trademarks	924
Examination on Trademarks	581

For details on Patents examinations for the reporting period 01 May 2015 – 31 August 2015 see table below.

Table 38: Patents examinations

Categories	No.
Decisions for registration	16
Notification on completion of application	25
Notification for the payment decision	30
Decisions for changes	7
User doc acceptance	55
Partial decisions - overall	9

During the reporting period there has been published 1 (one) Official Bulletin on Patents. So far, from the backlog of applications on Patents only 12% are to be completed. For details on cases backlog on Patents for the reporting period 01 May 2015 – 31 August 2015 see table below.

Table 39: Backlog of cases on patents

Completed and processed	Not examined (2014/21015)
88%	12%

The Committee for Appeals on IPA decisions has received and solved 38 complaints for the reporting period. The EU technical assistance project “Strengthening the IPR System in Kosovo” is being successfully implemented and it will end on 04 November, 2015.

On *Copyright and Related Rights*, during the reporting period the strategy and action plan against Piracy and Counterfeiting has continued to be implemented. In this regard, the Task Force against Piracy has undertaken actions to control entities dealing with production, sale and distribution of materials protected by the copyright.

In addition, actions against piracy have been taken in six regions (Prizren, Ferizaj, Mitrovica, Peja and Pristina) and it resulted in seizure of 732 scientific and professional books, 812 CDs and 54 DVDs containing materials such as movies and music. For the businesses where pirate material has been found without permission and with no prior agreement with the right holders Market Inspectorate has imposed appropriate fines.

Moreover, the implementation of the Strategy against Piracy and Counterfeiting has led to the implementation of the Law on Copyright and Related Rights and it lowered the level of piracy in the country.

The Office for Copyright and Related Rights supported by the Independent Media Commission has facilitated the process of negotiations. A meeting has been organized between associations for collective management of rights and user rights on 17th and 18th June, 2015 to reach the agreement for setting tariffs for the use of materials protected by the law on copyright and related rights. As an output of these meetings held, it was determined the date of commencement of negotiations process between the associations for administering of rights in cable retransmission and cable operators. A meeting was held on 17 August, 2015 which has been successful and parties have expressed willingness to reach an agreement.

The fight against piracy launched in August 2013 has so far resulted in the seizure of 40 thousand copies of pirated materials, mainly protecting material such as movies, music, video games, scientific books etc. A check has been carried out on July 2015 presented by civilians as buyers, at the sales points that provide materials protected by copyright and it was found that from 10 photocopies checked only one of them has offered to sell a copy of a material a photocopied book compare to other sales points who has refused to sell, emphasizing the fact that they have no right to sell pirated material. This compare to June, 2014 where 7 photocopies have been asked to sell a photocopied book – pirate, 6 of them have provided photocopied copies

3.1.8. Employment, Social and Public Health Policies

As regards the legislative developments in the area of employment and social policies, MLSW has approved the following Regulations:

- Regulation No. 01/2015 on the working group to review the list of hazardous forms of child labour, signed on 22 June, 2015. The purpose of this regulation is the definition and implementation of rules and procedures for efficient and legitimate work of the Working Group on Hazardous Forms of Child Labour.
- Regulation No. 02/2015 criteria and procedures for financial support for subsidies and grants, signed on 08 May, 2015. This regulation is aimed at defining the criteria and procedures to support the natural persons who need financial assistance and support of legal entities (NGOs and enterprises) that provide services and implement projects in the field of employment and social welfare.

Ministry of Labour and Social Welfare has approved the Concept Document for the regulation of the scope of identification and registration of job seekers and the unemployed. Purpose and recommendation of this concept is the development of the new Law for the identification and registration of job seekers and the unemployed.

In the area of *social inclusion*, during the reporting period through the Employment Office mediated in employment are 1,529 jobseekers. While, for the same period, through programs and projects active in the labour market were engaged in 1266 and unemployed jobseekers. Number of members of RAE communities who participated in the programs and projects active labor market so far is 187.

In terms of improving and promoting social dialogue during the reporting period three regular meetings of SEC were held. As a result of these meetings, the first draft of the Law for the amendment of the Law on SEC-in was finalized and a workshop regarding this law was held. With the support of the project "Support to social partners", a brochure on the work of the SEC is prepared. This brochure has been completed and published in newspapers on 28.07.2015. SEC now has a web site which is active since July 2015.

Regarding the *active labor market measures* the following activities were organized:

- Memorandum of Understanding was signed between MLSW and the UNDP project for the beginning of materialization of the program of wage subsidies. This project started to be implemented from July 2015. Through this project, a certain number of jobseekers (about 600 people) will benefit through wage subsidy scheme.
- Memorandum of Understanding was signed between MLSW and Initiative for Agricultural Development in Kosovo (IADK) for the project "Economic empowerment and capacity building of widows in the region of Mitrovica and Pristina". The agreement foresees the opening of buffeets in 8 schools through four 4 municipalities in the region of Mitrovica and Pristina, which will employ 32 widows. The opening of new places of work should enable the economic empowerment of women, supporting them with training on entreprenEUR ship. This also contributes to improving the conditions for school children in these regions, providing food for a symbolic compensation.
- Memorandum of Understanding was signed between MLSW and the German-Kosovar Chamber of Commerce, whose goal is to send a certain contingent of job seekers from Kosovo for professional training in German companies.
- MLSW and the construction company contracted for the construction of the US Embassy in Pristina, have cooperation agreements that applications be accepted by the Employment Office and then be sent to the company.
- The cooperation agreement was signed between MLSW and Associazione Trentino con Balcani, to meet the goal of which is the realization of the project, creation of employment opportunities for the youth. The aim of the cooperation agreement is to support sustainable employment and self-employment of young people, with special attention to the most disadvantaged groups in the labor market, promoting new approaches tailored for employment through the design, development and implementation of active labor market measures, combining skills development and follow-up measures, with a focus on strategic sectors of agriculture and tourism in the regions of Peja and Gjakova.
- The Project, Interns - Operators for data input SNS, the Centres for Social Assistance and Employment Offices, engaged 40 jobseekers for 4 months. Out of which, 14 males and 26 females. The project is funded by MLSW in the value of EUR 40,000.00.
- For the project " Spring Afforestation" 24 jobseekers were engaged for the period 15 May, 2015 until 15 November, 2015.
- Memorandum of Understanding was signed between MLSW and the MAFRD for the project "Rehabilitation of the state of forest fires". This project started from 1 July and will end on 31 August

2015, and through the Employment Office will employ 325 workers for two months. The project value is EUR 325,000.00.

- Memorandum of Understanding was signed between MLSW and the MAFRD for the project "Fire Fighting". This project started its implementation on 01 July, 2015 and will engage 120 workers for 4 months. Project value is EUR 120,000.00.
- MLSW has signed Memorandum of Understanding with Help for the project "Support to Socio-economic stability through the strengthening of micro-business sector in Kosovo". This project will be implemented from May 2015 to December 2016 in the municipalities of Prishtina, Mitrovica, Ferizaj, Gracanica, North Mitrovica, Leposavic Vushtrri and Gjilan. Through this project 430 grants are planned to be distributed, providing equipment so that beneficiaries can begin or grow their business.
- Training and certification of candidates in the framework of the Memorandum of Understanding signed between the Ministry and the Bosnian community represented by deputies, Duda Balja is finished. The beneficiaries of the training were job seekers (candidates) of the Bosnian community in Dragash in the rural areas for the hairdressing profession. The training was held in two locations - in Lubizhdë with 13 candidates and Reqan with 37 candidates.
- A Memorandum of Understanding is signed between Kosovo and Luxembourg Foundation, to support marginalized groups in the remote municipalities in the region of Ferizaj for their participation in vocational training programs to be conducted in VTC Ferizaj.
- An agreement is signed with Red Cross. 30 jobseekers will be trained in VTC Prizren for: business administration, auto electrical, servicing household appliances, entrepreneurship, ICT and Hairdressing. Candidates, after completing the training are supported by the Red Cross in establishing their own businesses.
- An agreement with DVV International is signed regarding the training of candidates from Has area for tailors. The project supported the functionalization of the Cabinet, the recruitment of the coach, the outsourcing of training curriculum and professional support during the training. This project will last until the end of this year and after the project is concluded the cabinet and sewing equipment will become property of VTC Prizren. The training of the candidates started on 25 May, 2015.
- MLSW signed a Memorandum of Understanding with the Regional Employment Office Kukës (Albania). This agreement allows trainees jobseekers registered in the Regional Employment Office in Kukes to also enroll in Vocational Training Centres in Prizren, Peja and Gjakova. So far they included four candidates in trainings- three in Prizren and one in Peja.

The system performance testing in all Employment Offices was expanded, setting targets to be achieved by December this year. This system enables monitoring of activities of the Employment Office to look closely at work achieving results.

In the field of development of minimum standards for social and family services during the reporting period 6 minimum standard for social and family services are drafted that are expected to be approved. With the adoption of these 6 standards the total of approved standards will reach 22.

The legal framework for the licensing of providers of social services (social workers) in three levels - basic, secondary and vocational, and legal entities/organizations is completed.

Licensing of social workers has continued in the three levels (basic, secondary and superior), while in terms of licensing of NGOs, the Commission established by MPMS for licensing of legal/Non-Governmental Organizations has reviewed 15 requests/applications for Licensing. From 15 requests 13 were approved and licensed by the license for the provision of family social services, while 2 are in the procedure of document completion.

In meetings with the responsible institutions at the central and local level, MLSW has presented a request for changes to the Law on Local Government Finance to establish specific grant to fund social services. MLSW continued to prepare the transfer of authority for the provision of residential services for the elderly and disabled. During August 2015, 10 Agreement of Understanding between MLSW and some municipalities for the management and delivery of social services were drafted and signed, which will start to be implemented from January, 2016.

The General Council for Social and Family Services, through the Licensing Committee from May, 2015 to August 2015 has received 159 requests/applications for licensing of officials. From 159 requests, the following licenses were approved:

- 83 applicants at the basic level,
- 10 applicants at the secondary level,
- 9 applicants on superior level.
- 52 requests are still in process, and
- 5 are rejected.

The number of beneficiaries who are paid through the scheme of support to Families with Children with Disabilities each month has reached about 3,000 children who benefit from a EUR 100.00 payment per month. The payment for foster care for 71 children is EUR 75.00 per month initial payment for one child, EUR 150.00 regular monthly payment for one child; EUR 250.00 is the regular monthly payment for a child with special needs. 562 children benefit a payment of EUR 75.00 per month while through family housing within the family.

During the reporting period MLSW continued the financial support to the NGO Shelter with 50% of direct services to protect victims of domestic violence and shelter for the Protection of Victims of Trafficking under the contract and cooperation agreement. There are seven (7) regional shelters for protection of women and child victims of violence in Pristina, Prizren, Peja, Gjakova, Mitrovica, Ferizaj and a shelter to protect victims of trafficking in Pristina. For six shelters for victims of violence, MLSW allocated funds in the amount of EUR 2,500.00 per month and EUR 1,249.00 for one shelter, so the total amount per year for seven shelters is EUR 194,994.00. For the shelter that provides services to victims of trafficking MLSW allocated funds in the amount of EUR 3,000.00 per month or EUR 36,000.00 per year. There is also cooperation with NGOs "Hope and children's homes", for which MLSW allocated EUR 4,888.00 per month or EUR 58,656.00 per year.

Based on the annual work plan for the delivery of quality assessment of social and family services, MLSW has conducted the following inspections: NGO "Hope and Homes Children" - shelter in Pristina; Center for Social Work in Lipjan, the House of Children with Intellectual Disability - delay in mental development in Shtime; and the Italian NGO "Caritas Umbria" based in Klina. While extraordinary inspection was conducted in: Shtime Special Institute, and the Center for Social Work in Fushë Kosova.

During the reporting period, 40 cases of victims of domestic violence and 5 victims of human trafficking were housed and treated. MLSW has a contract for the purchase of services for the victims of trafficking with two NGO Shelters, which offer shelters for and rehabilitation for victims of trafficking with human beings. NGO „PVPT" only accommodates victims of trafficking, while, NGO "Hope and children's homes" is a shelter that accommodates abused children and children victims of trafficking with low level of risk.

Center for Social Work in dealing with cases of victims of trafficking during the reporting period have managed, treated and provided services to social 5 victims of trafficking - from 2 victims assisted - sheltered were foreign and were repatriated to their country of origin (Albania), while three victims were returned and reunited with their family.

Based on the Article 76 of the Law on Foreigners No. 04/L-219, pursuant to Article 17 of the Administrative Instruction No. 01/2014, on the Procedure for the Issuance of Residence Permit for Foreigners and Certificate of Labour Alert, MLSW/Department of Labor and Employment Alert issued for Work Certificate for Foreigners, whose commitment is 30 days; 60 days and 90 days within the calendar year. Therefore, based on the legislation in question, MLSW during the reporting period has issued 88 certificates for Announcement at Work.

For the implementation of the Labour Law, during the reporting period the Labour Inspectorate has conducted 2758 inspections as follows:

- 1983 regular inspections;
- 661 repeated inspections;
- 85 inspections at the request of the party;
- 29 inspections in cooperation with other institutions.

During these inspections, 15,747 workers were inspected and as a result:

- 2 subjects were legalized
- 517 workers were legalized;
- 221 written warnings were distributed;
- 100 fines were imposed.

The Labour Inspectorate also inspected 59 foreign workers who have worked in Kosovo. All the inspectors from the Labour Inspectorate have received training in risk assessment of the workplace into two groups: Group 1 in the period 22-23 June, 2015, while Group 2 in the period 29-30 June, 2015.

In the period May-August 2015, 927 decisions were issued for the payment of maternity leave, for the part which is paid by the Government, and were spent EUR 569,906.00.

In order to increase the capacity of municipalities in the provision of social services management after decentralization six two-day workshops in all regions of Kosovo were organized. Through these workshops various topics are were discussed, ranging from politics to social services, administration, financial challenges of social services, budget planning, the quality of social service delivery, monitoring and inspection of social services. 200 officials from municipal departments for health and social welfare, municipal finance departments and centers for social work participated in these workshops which were supported and financed by the EC funded project for the Ministry of Labour and Social Welfare (MLSW) to strengthen mechanisms for the implementation of the decentralization of social services.

During the reporting period, representatives of Vocational Training Division participated in the following activities:

- Study visit to Bosnia and Herzegovina. The visit is conducted in the context of building a system of cooperation between public and private employment in Kosovo and is supported by the project, EYE (project Increasing employment of young people). During this visit, the representatives had the opportunity to learn more about the operation of private employment services. 2 officials participated in this study visit during the period 04 May, 2014 until 08 May, 2015.
- Study visit to Croatia, where the vocational education and adult education and other institutions that deal with education and training of adults in Zagreb were visited. In this visit were representatives from other institutions related to education and training in Kosovo. The visit was supported by the Deutschen project Volksheim-Verbandes (DVV) - Internacional. 2 officials participated in this study visit during the period 19May, 2015 until 22 May, 2015.
- Regional conference of Western Balkan countries with the theme "higher education, training and liaison with the labor market". The two-day conference is organized by the European Commission in

Vlora. Only one official participated in this conference during the period 01 July, 2015 until 04 July, 2015.

Public health

In order to supplement the legal framework and to address the challenge outlined in Progress Report, i.e prevention of misuse of medicines in the pharmaceutical sector, and to implement the Law on Medicinal Products and Medical Devices, the Ministry of Health has approved the following administrative instructions:

- Administrative Instruction No. 05/2015 on the Board of Appeals approved on 19 May, 2015. This Administrative Instruction defines the organization, authorization and scope of the Appeals Board (Board) of Kosovo Agency for Medical Products and Equipment (AKPPM), in order to review complaints filed against decision taken by AKPPM;
- Administrative Instruction No. 06/2015 on General and Specific Hospital Conditions approved on 10 July, 2015. This Administrative Instruction sets forth: organization, operation and supervision of health activity in hospital;
- Administrative Instruction No. 07/2015 on Laying Down the Requirements of Good Manufacturing Practice, Issuing Manufacturing Authorization and Certificate of Good Manufacturing Practice for Medical Products approved on 23 July, 2015. This Administrative Instruction lays down the principles and requirements of good manufacturing practice for medical and investigational medical products, whose manufacture requires authorization in the Republic of Kosovo, and the requirements for manufacturing authorization and certificates of good manufacturing practice for medical products;
- Administrative Instruction No. 09/2015 for Smoke Free Premises and Placing of Signs on the Prohibition of Smoking in Closed Areas approved on 23 July, 2015. This Administrative Instruction defines the rules for the format, content, design, size, visibility and location for the placement of signs to ban smoking in specified areas under the Law on Tobacco Control 04/L-156. This Administrative Instruction addresses the challenge of the Progress Report that it should be continued with implementation of the Law on Tobacco through awareness campaigns as well as through inspections at the country level with emphasis in public areas.

On the 06.07.2015, Minister of Health based on article 37 of the Law on Health Insurance in 06 July, has established the Preparatory council who will be responsible for the establishment of the Health Insurance Fund. Council held the first meeting. The Council has eight (8) members and is chaired by the Minister of Health.

In order to implement the *Strategy for mother, child and reproductive health 2011-2015*, the Ministry of Health has continued promotional and training activities, whereby, 50 health care professionals were trained for efficient care, 60 health professionals were trained in neonatal resuscitation and were carried out training on sexually transmitted infections, whereby 26 health professionals were trained as trainers. Within these promotional activities, the focus was on social marketing, whereby contraceptives are distributed throughout Kosovo.

15 training sessions on reproductive health with Roma, Ashkali and Egyptian communities, with total of 270 participants, were held. In addition, workshops were held with the youth of this community on human rights to reproductive health and family planning. Several promotional activities with regard to reproductive health topics were held in secondary schools.

The implementation of these promotional activities was assisted by Red Cross of Kosovo, who implemented:

- 137 education courses on family health education, with all communities of 26 Municipalities. These courses were attended by 1941 females and 121 males;

- 102 educational visits in 26 Municipalities of Kosovo;
- 40 sessions for adolescents and youth in 10 municipalities of Kosovo, which were attended by 698 participants (of which 408 females and 290 males).

In 3 pilot municipalities (Prizren, Gjakovë and Fushë Kosovë), by the teams of Family Healthcare were conducted 839 home visits, visiting 232 pregnant women and 607 children. Out of these visits, 31 visits took place at Roma, Ashkali and Egyptian communities.

Regarding infant mortality according to the latest report of the prenatal situation in 2014, the prenatal mortality is 11.9, which shows a decreasing trend for 4% compared to last year report. These activities address the challenges of Progress Reports on the need for capacity building to improve the quality of services for mother and child health and reducing high level of mortality of mothers and children.

For the purpose of implementation of the *Strategy for integration of Roma, Ashkali and Egyptian communities in the Republic of Kosovo 2009-2015*, the Ministry of Health has continued immunization program, whereby vaccinated 550 children from the Roma, Ashkali and Egyptians community that were unvaccinated or partially vaccinated children. It has also continued local vaccination campaign by the NIPH. In order raise the awareness on preventing of exposure to lead for Roma community, as the most vulnerable community, we have undertaken awareness campaigns. The citizens of Ashkali and Egyptian communities have been integrated into the health system, unlike Roma community, which still hesitates despite priorities and commitment. These activities address the challenges identified in the Progress Report, which highlighted that provisions of health services have failed to adequately reach to minority communities.

For the purpose of implementation of the *National strategy against narcotics in Republic of Kosovo 2012-2016*, the Ministry of Health is implementing methadone therapy program, which is implemented in five institutions (Specialized Clinics/Labyrinth; Regional Hospital of Gjakova/Department of Psychiatry; Regional Hospital of Gjilan/ Department of Psychiatry; UCCK/Department of Psychiatry and Health Department of Prisons). Total beneficiaries of this program are 124 clients. We have developed the training for master trainers on HIV/AIDS by all relevant institutions. Whereas, regarding the total number of clients tested for HIV/AIDS at the Centre for Voluntary Counselling and Testing in Infective Clinic, during the period 01 May 2015 until 04 August 2015, was reported to be 63 clients, while within the health system in prisons, were tested 212 clients.

This program addresses the challenge evidenced by the Progress Reports stating that the fight against drug abuse has not been addressed.

For the purpose of implementation of the *National Strategy for the rights of People with disabilities in the Republic of Kosovo*, the Ministry of Health ensures health services to all people with disabilities offered within public health institutions. For this sensitive category of society, and these services are covered by the budget of Kosovo, as provided by legislation in force.

In addition, budget of the Ministry of Health covers the costs for necessary health services for persons placed in Integration Homes and Mental Healthcare Centres. These activities address findings identified in the Progress Report in relation to people with mental disabilities and stigma.

Within the *Institutional framework and reforms*, continued the functioning of Chambers of health professionals. On 07 August, 2015 was established Chamber of Physiotherapists of Kosovo, whereby is appointed its chairperson. With the establishment of this Chamber, the Ministry of Health completed the cycle of establishing five professional chambers. This activity addresses the challenges identified in Progress Reports regarding lack of capacity in the health sector.

The Royal College of General Physicians of the United Kingdom accredited the Specialist Education Program of Kosovo Family Medicine. In addition, it has been published the 4th edition of the official Registry of medicaments in the Republic of Kosovo. The new Register contains 160 new molecules or 613 different types of medicaments registered, while Kosovo pharmacy market itself is solid and have approximately 700 molecules or 3000 pharmaceutical forms.

In context of *capacity building*, and in order to continue the development of the Health Information System, it is launched the Health Information Integrated System (HIIS) for the pilot region of Pristina, namely Paediatric Clinic, which is the first of 68 institutions where HIIS will be piloted. 700 health workers were trained to use the software, the data storage capacity have increased through expansion of hardware capacities (server). These activities address the challenge identified in the Progress Report requiring that health information system must develop further.

In prison health service are employed (10) new employees including one (1) dentist, two (2) psychologists, one (1) psychiatrist and six (6) nurses. Health Financing Agency supported by World Bank funds, has started the process of training of 50 officials from the Ministry of Health, National Institute of Public Health, HUCSK for master trainers, who will continue to train all relevant staff.

3.1.9. Education and Research

As regards the legislative developments, the following Administrative Instructions have been adopted during the period May-August 2015:

- AI. No. 01/2015 on Student elections and election of bodies and councils in academic units in the University of Gjilan "Haxhi Zeka", approved on 20 May, 2015;
- AI No. 02/2015 on Student Elections and Election of Bodies and Councils in Academic Units in the University of Gjakova "Fehmi Agani", approved on 20 May, 2015;
- AI No. 03/2015 on Student Elections and Election of Bodies and Councils in Academic Units in the University of Mitrovica "Isa Boletini", approved on 20 May, 2015;
- AI No. 04/2015 Establishment, functioning and composition of the Council for Vocational Education Training and Adult Education, approved on 20 May, 2015;
- AI No. 05/2015 for normative teachers of vocational education, approved on 07 July, 2015;
- AI No. 06/2015 for normative professional staff of the general education, approved on 10 August, 2015
- AI No. 07/2015 for school year calendar 2015-2016, approved on 10 August, 2015;
- AI No. 08/2015 on Establishment of educational Institutions, approved on 10 August, 2015;
- AI No 09/2015 on Principles and Procedures for Acceptance of Degree of Higher Professional Schools and University Titles obtained in the Territory of the Republic of Serbia, approved on 10 August, 2015.

Pre-University Education

In context of Pre-University Education, we have established and functionalized pedagogic assessment teams in 28 Municipalities. These teams will conduct assessments for the students in school and out of the schools in order to determine adequate services for students within educational institution and are recommended taking education and teaching trainings in line with their needs.

We have drafted a guideline and tools for municipal professional assessment teams in order to carry out assessment of children/pupils, whereby, we provided trainings on use of the above tools for assessment teams in all those 28 municipalities.

In terms of advancing the information technology conditions, two resource centres, one (1) in Mitrovica and one (1) in Prishtina, will be equipped with technology information equipment such as: computers,

laptops, tablet PC and internet network tables within the EU-funded project "ICT and e-learning, Phase II".

Higher Education and Science

During this period, 23 mobilities have been supported for the scientific researches and international conferences amounting to EUR 11,900. In May 2015, 2 two-day trainings were held, both for Horizon 2020 contact points (NCP), these trainings are provided by Austrian experts:

- Training "Development of Strategies for and Coaching of Horizon 2020 NCPs" is focused on supporting the development of a strategic concept on participation of the Republic of Kosovo in the Horizon 2020, as well as individual meetings (coaching) between NCP's and Austrian experts pursuant to thematic fields of Horizon 2020 ;
- NCP and other participants from research community of Kosovo attended in the training "How to make your organization/country fit for Participating in International R&I Programmers".

During May-August 2015, three meetings between NCP and stakeholders (research community, businesses, etc) were organized.

Vocational Education and Training and Adult Education

Vocational Education and Training is currently undergoing a reform process aiming to better link it to the needs of the labour market. With recommendations from stakeholders and international partners, the Agency for Vocational Education and training and Adult Education was established in order to enable the development of VET in the Republic of Kosovo in line with domestic needs and European standards. In this regard, six (6) Memorandums of Understandings have been signed between MEST, AVETAE (Agency of Vocational Education and training and Adult Education) and Municipalities for the transfer of competences from municipalities to AVETAE for several schools. According to these MoUs, the responsibilities on the regulation, administration of the school buildings, area, space, financial responsibility as well as the competences on the personnel in municipalities are transferred to AVETAE.

The Strategy for Improvement of Professional Practice in Kosovo 2013-2020 is distributed to all vocational schools as well as in a large number of companies that collaborate with vocational schools. Based on this Strategy, the guidelines on vocational schools and guidelines for employers are drafted, which are also distributed to schools and enterprises, and are being implemented.

Another activity of the Agency on Vocational Education and Training (AVETAE) related to the professional practice is the establishment of public/private partnerships with companies "Haimerer" and "OtoBock" on the health profiles in CC of Ferizaj. Within this activity, the partner schools have signed around 200 MoUs with businesses. Also, a contract for governance and administration of 4 Competence Centres and 2 Vocational Schools between GIZ, MEST and AVETAE was signed.

Inclusive Education

The program "Teaching based on the field of activities" has been drafted and will be piloted starting September 2015, in five resource centres (former special schools). The program is dedicated for the children/pupils with severe degree of disability who cannot attend the regular curriculum.

The three year program 2013-2105 for the training of 15 assistants and inspectors of sign language has been completed. They are the first persons in Kosovo capable to use the standard sign language. During this period, 5 resource centres have been equipped with didactic tools, ICT and sports equipment. There are also 125 regular school equipped with such equipment, whereby students with special needs will benefit as well.

Training for the teachers in regular schools for specifications and working with the children with special educational needs, were held. The trainings were implemented in five resource and counselling centres in Kosovo.

3.1.10. World Trade Organisation (WTO) Matters

There was no development during this reporting period.

3.2. Sectorial Policies

3.2.1. Industry and SMEs

In terms of legislative measures, Administrative Instruction No. 03/2015 on Determination of Fees for Services provided by the Business Registration Agency has been approved on 21 July, 2015. It sets out the fees which shall be applied by business organizations for services provided by the Kosovo Business Registration Agency. Moreover, Regulation No. 01/2015 on the Work of the National Council for Economic Development of Kosovo has been approved on 04 June, 2015. This regulation sets out the manner of work, organization and the scope of the National Council for Economic Development of Kosovo.

Table 40: Training sessions, official visits, conference and fairs attended in the area of industry and SMEs

Type and topic	Venue	Date	No. of Participants
Promotion of export and investment			
Participation at the Regional Textile and Fashion Fair	Tirana, Albania	04-06 June 2015	8 textile manufacturing companies
Participation at the 17 th meeting of the Investment Committee for South East Europe	Podgorica, Montenegro	18 June 2015	1
Participation at the conference "Challenges of Economic Recovery Ahead"	Sofia, Bulgaria	21 June 2015	1
Participation at the Fancy Food Show	New York, USA	28-30 June	8 products from companies of the food processing industry
Participation in Expoforum , new ways of financing strategic projects Kosovo-Albania	Prishtina	29 June 2015	3
Participation at the Prishtina International Fair 2015	Prishtina	29 April - 02 May 2015	45 companies
Tourism			
Participation at the second UNWTO conference of destination management in the Mediterranean	Budva, Montenegro	22-24 June, 2015	1
Participation at the Steering Committee regarding the project Peaks of Balkan in the south region of Kosovo which includes cross-border cooperation between Kosovo, Albania and Macedonia, organized and funded by GIZ	Ohrid, Macedonia	16 July, 2015	1
Study Visit to the Czech Republic. The purpose of this visit was to be informed about institutional organization of tourism, legal infrastructure, tourism policies and promotional marketing policies, data collection of tourism statistics and operation of tourist information centres.	Czech Republic	12- 14 May, 2015	4

On the economic zones, financial support has continued for few municipalities of Kosovo, among them, Economic Zone in Shtime is at the stage of technical acceptance of the project. While municipalities such as , Prizren, Suhareka and Gjakova are at the stage of completion of documents. Allocation of funds has been made for the construction of the Business Incubator in the municipality of Istog.

In the framework of the agreement between MTI and KCC for organizing the Prishtina International Fair 2015, MTI representatives were part of the committee for selection of participants and then organization, process and co-funding of the fair. The fair occurred from 29 April 2015 to 2 May 2015.

Regarding the 1,300 days offering advice to SME's within the Voucher Scheme, the following actions were taken:

- Qualification of 5 advisors for project implementation;
- Received 49 businesses applications;
- 2 businesses have been rejected;
- Diagnosis is performed for 46 businesses;
- 46 businesses have been approved;
- 53 businesses completed consultations;
- 43 businesses that have completed consultations have been reimbursed.

Regarding the 2 month internship in local businesses for 150 students, the following actions were taken:

- Results of admitted candidates to the IB have been published;
- The terms of reference have been drafted and the tender for IB has been announced.

In the context of administrative capacities, it is important to note that the Government of Finland with the project "Assistance for Trade", implemented by UNDP has supported the Division of Tourism in the development of human resources, developing a two year action plan for tourism and also provided recommendations regarding drafting of tourism policies and standards.

Also, an analytical study on Kosovo's competitiveness and economic potential in tourism has been conducted in May 2015. The study analyzed the current state of the Division of Tourism, including tasks and the goals to achieve strategic objectives. The outcome was that Division of Tourism is in need of more staff and in a detailed report laid out the organizational structure of the DT division and its advancement to Department of Tourism, including organizational chart and individual job descriptions.

In terms of awareness campaigns regarding implementation of legislation in the field of tourism, increase of quality of hotel services in general and increase of the level of cooperation with the private sector and other relevant stakeholders have been mostly discussed in a set of round tables organized. The Industry Department/Tourism Division organized roundtable discussions and information with all relevant stakeholders and representatives of the business community in five tourist regions in order to get feedback and recommendations for improvement of tourism policies in Kosovo. During the round table the Global Code of Ethics for Tourism including primary and secondary legislation were presented. The Tourism Action Plan 2015-2020 was introduced to be taken. Roundtable discussions were held in Peja on 4 June, 2015 and in Gjilan on 10 June, 2015.

On regional *cooperation for the development of tourism*, on 29 May, 2015 a B2B event has been organized in Prizren in the framework of implementing the cooperation agreements with Albania and Macedonia. This event was organized in partnership with the Division of Tourism and the local NGO "EC Ma Unlike" funded by UNDP. It aimed to promote tourism in the southern region and establish joint touristic offers between Kosovo, Albania and Macedonia. The event was attended by tour operators, national and local institutions in Kosovo, Albania and Macedonia.

3.2.2. Agriculture and Fisheries

Policy framework

At the level of policy development in the area of agriculture, during the reporting period, 3 measures have been prepared based on Agriculture Rural Development Program (Measure 401-trainings, Measure 402- Advisory services and Measure 501-Technical assistance, communication and publicity) while MAFRD has supported Measure 101 “ Investments in agriculture economies” as follows:

Table 41: Measure 101 “ Investments in agriculture economies”

No.	Sectors	No. of projects	Budget / EUR
1.	Berries	25	1,208,080.00
2.	Greenhouses and warehouses for storage of vegetables	51	2,592,686.35
3.	Meat Sector (fattening of calves)	23	128,347.34
4.	Meat sector (broiler growth)	13	691,730
5.	Milk sector(from cows)	38	1,776,364.98
6	Milk sector (sheep and goats)	15	712,817.00
	Total:	165	7,110,024.00

As far as measure “Agriculture land Irrigation” MAFRD has supported 6 projects in amount of 644,648.80 EUR o, while through Measure 103 “Investments in physical assets in the processing and marketing of agricultural products, MAFRD has supported as follows.

Table 42: Measure 103 Investments in physical assets in the processing and marketing of agricultural products

No.	Sectors	No. of projects	Budget EUR
1.	Milk processing	6	1,005,739.00
2.	Meat processing	9	1,604,928.00
3.	Fruit and vegetable processing	10	1,646,028.00
4.	wine processing	4	386,675.00
5.	The beekeeping sector / rural diversification	32	300,000.00
	Total	61	4,943,370.00

During the reporting period, MAFRD carried out the market sectoral analyses for: strawberry, cereals, plumbs, apple, grape, milk, meat and FADN. In addition, the analytic report of cereals in world market and the report of trade exchange of agriculture products (Kosovo and EU) for the year 2013-2014 and for CEFTA countries (2005-2014) according chapters 01-24 have been prepared.

At the level of institutional capacities, during the reporting period in Vushtrria Municipality, MAFRD has opened the Information Centre.

As far as capacity-building on agricultural advisory services is concerned, MAFRD organized 165 agriculture advice sessions for farmers on various areas (plant, livestock, viticulture, vegetable and beekeeping, out of which 355 farmers have benefited. During this period 43 agriculture advisors provided consultation sessions for 2,011 farmers, while 5 exchanges amongst farmers themselves were also held, with a view to exchanging best practices within Kosovo, 860 brochures have been distributed to farmers. 40 agriculture advisors have been trained about integrated vegetable production, while 41 farmers for combating diseases in fruit trees have been trained. The authorities of MAFRD and Municipalities directly helped 900 farmers in filling the application forms for such grants.

During the reporting period, 48 officials benefited from TAIEX expert missions in the areas of (tab. 3):

Table 43: TAIEX expert mission in Kosovo

Nr.	TAIEX mision/ fiell
1.	Compiling supply balances for crops and livestock;
2.	Support for the establishment of fish inventory and identification of Alien and invasive species
3.	Common organization of markets for agricultural product
4.	Farm animal reproduction
5.	Molecular methods such as polymerase chain reaction (PCR) and its modern version real-time PCR, in-situ hybridization and sequencing for routine diagnosis of many (quarantine) pest and diseases
6.	Selection of samples for FADN
7.	Disease of Phytophthora

Furthermore, during this period eight study visits have been conducted in the EU-s countries and 24 officials took part (tab. 4)

Table 44: Study visit/training areas

No.	Topic	Date	Venue
1.	Maximum residue levels of plant protection products	11-14.05.2015	Hungary
2.	Calculation of Cost of Production for Crops and Livestock	26-29.05.2015	Italy
3.	Geographical Indications	01-05.06.2015	France
4.	Gaining of experiences from practical training in laboratory of EU MSs for determination of pesticide residue in plant using GSMS and LSMS techniques	02-05.06, 2015	Slovenia
5.	Control System, Control Authorities and Control Bodies, Control Implementing Rules and Adherence to the Control System	15-19.06.2015	Slovenia
6.	Implementation of rural development projects under IPARD Program	30.06-03.07.2015	Croatia
7.	EU Zoo technical legislation on breeding policies	06-10.07. 2015	France
8.	Determining the LFA Mountain Areas based altitude threshold	27-31.07.2015	Austria

Implementation of Laws and policies

Regarding the implementation of the Law on Land, during this period, 38 requests for change of land use, agricultural/forest land into construction land were submitted to MAFRD from municipalities. Out of 38 submitted requests only 18 were approved, 2 rejected, and 13 are currently being reviewed by the Committee of the MAFRD. In order to protect agricultural land from illegal constructions, the authorities of MAFRD have compiled 24 record sheets, issued 22 decisions and initiated 10 proceedings in the respective courts for violations of legal provisions.

In order to implement Land Consolidation Strategy 2010-2020, a project on 'Unfinished Land Consolidation' was implemented in 5 Cadastral Zones in Vushtrria Municipality, in area of 1,450 ha. The existing data were processed (scanning, geo-referencing, vectorization, digitalization) and agricultural landowners and users in these cadastral zones were informed. In Municipality of Drenas (21 cadastral zone) Vitia and municipality of Klllokot (10 cadastral zone) the project is expected to continue.

Special attention was given for implementation of the Law on Forests by undertaking measures regarding the protection of forests from illegal logging. During this reporting period, the Municipal authorities have issued 388 warnings against illegal logging (287 minor offences and 101 were criminal offences) involving 692.41m³ of m³ lumber. The cost of damage was 530,378.96 EUR o. Furthermore Central Inspectorate of Kosovo Forest Agency (KFA) issued 39 (37minor offences and 2 were criminal offences). Moreover 54.90m³ m³ of timber masses have been confiscated. During this period, the Central Inspectorate of Forestry has conducted 222 controls, where subject to controls were business entities, regional

directorates, municipalities, markets, warehouses, road traffic and forest plot. KFA has signed 4 Memorandums of Understanding with MLSW for the engagement of 650 employees for activities on silviculture sector, and 120 employees for fire-fighting

Food Safety

As far as *subsidiary legislation* in food safety, animal health and welfare is concerned, the FVA approved the following:

- Regulation on Animal Health Conditions of Aquaculture Animals, their products, as well as prevention and control of aquatic animal disease (17 June 2015); and
- SOP on inspection of exports and phytosanitary certification of plants, plant products and other items (22 June 2015).

In addition, FVA approved the National Annual Control and Sampling Plan, which contains frequencies of official controls of domestic establishments, border controls, National Residue Monitoring Plan and animal disease control.

At the level of *institutional capacities*, FVA continued works within its project on construction of a rendering plant for animal by-products. The first project phase was concluded, with the technical specifications and tendering dossier for the plant having been delivered by the experts. The location of the plant has also been designated with the Government decision No. 16/25 of 29 April 2015. The land is situated in the cadastral zone of Sankoc in the municipality of Drenas. The second phase, which is to begin by the end of 2015, will entail the construction of the plant.

With a view to further *strengthening human capacities*, FVA officials continued taking part in trainings and study visits, as follows:

- TAIEX-sponsored study visit on *Microbiological criteria* (Lithuania, 24-29 May 2015, attended by three (3) officials);
- BTSF-organized training on *Residues of Medical Veterinary Products in Food of Animal Origin* (Spain, 6-10 July 2015, attended by one (1) official).

In terms of *policy implementation*, considerable progress was made during the reporting period, with the I&R database being updated on a regular basis and marking a higher reporting rate on some categories, compared to the same reporting period of the previous year.

Table 45: Data reported into I&R database during the reporting period, compared to the same period of 2014

Animal type	Categories of registration							
	Births		Movements		Slaughters		Imports	
	May 15 - Aug 15	May 2014 - Aug 2014	May 15 - Aug 15	May 2014 - Aug 2014	May 15 - Aug 15	May 2014 - Aug 2014	May 15 - Aug 15	May 2014 - Aug 2014
Cattle	27,252	11,005	8,937	5,648	73	3,669	1,041	3,808
Sheep	40,855	47,788	14,577	2,741	N/A	N/A	N/A	N/A
Goat	4,783	6,738	1,777	592	N/A	N/A	N/A	N/A
Swine	3,737	8,363	62	343	N/A	N/A	N/A	N/A

As part of the IBM agreement between the Kosovo Police, Kosovo Customs and FVA, the latter quarantined the following smuggled animals that were confiscated during the reporting period:

Table 46: Confiscated and quarantined smuggled animals during the reporting period, compared to the same period of the previous year.

Animal type	No. of quarantined animals May 15 -Aug 15	No. of quarantined animals May 2014 -Aug 2014
Cattle	82	23
Sheep	27	25
Chickens	197	6,195
Horses	1	9
Bees	20	0

As part of the National Annual Control and Sampling Plan implementation, the following activities were undertaken during the reporting period in the animal health sector:

Table 47: Vaccinations performed on animals during the reporting period

Type of disease	No. of vaccinated animals
Brucellosis	65,246
Classical Swine Fever (CSF)	18,094
New Castle Disease (in chickens)	100,000
Rabies	5,041
Anthrax	19024

Table 48: Animals destroyed for testing positive in the certain diseases during the reporting period, compared to the same reporting period of the previous year.

Type of disease	No. of destroyed animals May - Aug 2015	No. of destroyed animals May - Aug 2014
Brucellosis in cattle	22	9
Brucellosis in sheep and goats	660	277
American Foulbrood Disease (in bees)	45	223
Total	727	509

As regards inspections and sampling undertaken by the Inspections Directorate, during the reporting period the following activities took place, compared to the same period of the last year:

Table 49: Inspections carried out and samples taken during the reporting period, compared to the same period of the last year

Activities of Inspections Directorate May-Aug 2015			
Sector	Inspections	Samples	Destruction of non-safe food and plants
Border Phytosanitary	14,675	406	
Border Veterinary	4,264	153	590 kg
Sanitary inspections	865	85	20,176 kg
Phytosanitary	763	334	85,105 kg and 36,050 saplings
Veterinary	429	64	24,230
Activities of Inspections Directorate May - Aug 2014			
Border Phytosanitary	11,562	218	
Border Veterinary	2,936	165	
Sanitary inspections	711	55	52,746 kg and 2,678 litres
Phytosanitary	741	495	11,1248 kg and 1,750 saplings
Veterinary	420	173	13,878

In addition, FVA veterinary inspectors carried out a total of 1253 controls of approved slaughterhouses, as opposed to the 404 controls conducted during the same reporting period of the last year.

The Food and Veterinary Laboratory (FV) continued implementing its plan for disease monitoring and control of food, testing considerable numbers of samples suspected of certain disease, as follows:

Table 50: Samples tested in FVL during the reporting period, compared to the same period of 2014

Samples tested at FVL		
Sector	May-Aug 2015	May-Aug 2014
Pathohistology	43	164
Bacteriology, Parasitology and Microbiology	27	35
Serology and Molecular Diagnostics	1,782	6,790
Food Microbiology	230	136
Food Chemistry and Residues	255	301
Milk Analysis	5,119	10,378
Quality Management	1,390	1,032

3.2.3. Environment and Climate Change

During this reporting period, MESP has continued completion of *legislative framework* by adopting the following Administrative Instructions (AIs) and Regulations:

- A.I. No. 04/2015 on Appeal Procedures for Decisions on treatment of illegal constructions, (29 April 2015);
- A.I. No. 05/2015 on the Management of Polychlorinated Biphenyls and Triphenyl and Waste with PCB and PCT, (26 May 2015);
- A.I. No. 06/2015 for the Content and Form and of the Legitimacy of the Environmental Inspector, Urban and Construction, (17 June 2015);
- A.I. No. 07/2015 on Waste Management of Construction and Demolition of Buildings and Construction Environment, (24 July 2015);
- A.I. No. 08/2015, for determining the Tariff for services related to the process of Environmental Impact Assessment, (31 July 2015);
- A.I. No. 09/2015 for Authorization, Registration and Import license of the Biocide products, (19 August 2015); and
- Regulation No. 02/2015 for detergents, (27 April 2015).

Regarding plans and programs for nature conservation areas, the draft Spatial Plan for National Park "Bjeshkët e Nemuna" is under public hearing phase. Hence, nine meeting/debates were organized, one with experts and interest groups in Prishtina, and eight other meetings with municipalities civil society and citizens in Peja, Decan, Gjakova, Istok, and Junik.

In the field of waste management with the purpose of exchanging experiences between municipalities in waste management and provision of services for the collection of municipal waste, a seminar "Capacity Building Project in waste management towards a healthy society" was organized with the representatives of the municipalities of Kosovo on 10 July, in Prishtina, were 53 officials from different municipalities participated. With the support of UNDP regarding *floods and droughts management*, KHMI has received 25 Rain Gauge, and has started installing them at different locations throughout Kosovo, mostly near regional centres for water supply.

On the other hand, KEPA has completed and submitted to the European Environment Agency EEA-final Report CLC 2012 (Corine Land Cover) / data in GIS format. Additionally, the Report of state of Nature

2010-2014 is published, (see report in www.ammk-rks.net/repository/docs/Raporti_i_Natyres_2010-2014_web.pdf). While, the State of Environment Report for 2015 is completed, and procedures to present it in the Kosovo Assembly has been initiated.

Regarding, protected areas under NATURA 2000, the working group for setting bio geographic regions in Kosovo as a step of selecting sites for the NATURA 2000 has held several meetings, were existing data were analyzed and new data on bio-geographical regions were provided.

With a view to implementing the Action Plan for stopping illegal operating of lime and tire ovens, the Inspectorate of MESP in cooperation with the Kosovo Police, Environmental Crimes Unit has prepared a leaflet that is distributed by the Kosovo Police in all municipalities. The purpose of this leaflet was to inform the public on the prohibition of burning tires in the lime kilns and elsewhere.

Moreover, regarding MESP Inspectorate activities, during this reporting period, the inspectorate has conducted 188 inspection visits, 19 trial initiations, 1 criminal initiation, 14 decisions and 194 orders, suggestions, recommendations, in response to complaints.

Whereas, the measures taken against the violations identified in illegal constructions in protected areas, during this reporting period MESP Inspectorate has identified two cases of violations related to construction in special protected areas (SPAs). First case in Decan, reported by representatives of the Decani Monastery for some illegal constructions within area, were after the inspection (20 July 2015) the Department of Urbanism of the Municipality of Decan was immediately ordered to stop the activities. The second case, the Inspectorate of MESP, based on official notification from the Institute of Nature Protection, on the development of construction works in the area of the National Park "Bjeshket e Nemuna" (23 July 2015) found that the metal rope for connection of high rocky positions was being built, a project which is being implemented by the Municipality of Peja and supported by Swiss Embassy. As a result, the MESP inspectorate has ordered the Department for Economic Development in Peja Municipality that for construction on areas of National Park "Bjeshket e Nemuna" a construction permit from the competent authority as defined in paragraph 1.9 Annex 1 of the Law on Construction No. 04 / L-110 and 1.11 points of Article 9 of the Law on Spatial Planning No. 04 / L-174 needs to be obtained.

The total number of EIA cases received during this period is 64, were 22 are reviewed; 42 are pending for review; 55 were granted with environmental consent; 9 were not granted with environmental consent (rejected). Moreover, during this period, 2 permits for application of scientific research in nature were issued.

Pursuant to the Law on Waste and Chemicals, 2 licenses for the management of waste, 12 import licenses for importing of Biodegradable bags without additives, 11 import licenses for the import of biocide products, 2 licenses for the export of waste, and 1 permit for import of industrial chemicals were issued.

Pursuant to the Law on Waters, 3 conclusions were issued, 1 conclusion of the administrative process, 3 water acts, 2 replies to claims, 9 refusals of requests due to non-fulfillment of legal conditions and 1 decision on extension of the water permit.

Pursuant to the Law of Construction, a permission (29 June 2015) for the project "Water Supply and Wastewater Removal of Prishtina, Phase III" was issued.

On the other hand, regarding the *billing and collection data* on targets for water and waste sectors, and fragmentation per sector is as follows:

a) Billing

Realization of billing targets planned for March – June 2015

In the overall sector level, *billing targets were realized in 86% (from EUR 11 647 990.48 planned, EUR 9 962 411.46 were realized)*

- Regarding households consumers, realization of billing targets is 84%;
- Regarding commercial consumers, realization of billing targets is 83%;
- Regarding institutional consumers, realization of billing targets is 99%;

b) Collection :

Realization of collection targets planned for March – June 2015

In the overall sector level, *collection targets were realized in 69% from 75% planned*

- Regarding households consumers, realization of collection targets is 63%;
- Regarding commercial consumers, realization of collection targets is 79%;
- Regarding institutional consumers, realization of collection targets is 84%;

Data on the coverage with water and sewage service:

- a) Coverage with water service (%) – *at the sector level is 84%;*
- b) Coverage with sewage service (%) – *at the sector level is 62%;*

Furthermore data related to the investments on the water and sewage sector for the period **March – June 2015** are:

a) Investments by Regional Water Companies:

- 1) Investments in the existing water supply network – *EUR 138 739.00 ;*
- 2) Investments in expanding the water supply network – *EUR 61 609.00 ;*
- 3) Investments in the existing wastewater network – *EUR 2 271.00;*
- 4) Investments in expanding the wastewater network – *EUR 659.00;*

b) Donor investments:

- 1) Investments in the existing water supply network – *EUR 153 924.00;*
- 2) Investments in expanding the water supply network – *EUR 11 246.00;*
- 3) Investments in the existing wastewater network – *EUR 00.00;*
- 4) Investments in expanding the wastewater network – *EUR 322 652.00;*

Level of non-billed water at the sector level - NRW at the sector level is 57%.

Concerning MESP inspectorate, within the activity "introduction to the concepts of SEA by integrating the concepts of climate change and biodiversity" has organized a presentation "Implementation of the minimum criteria for optimal inspection" for municipal inspectors and other environmental officials in different municipalities such as: Pristina, Peja, Ferizaj, Gjilan, Mitrovica, Prizren and Gjakova.

As per trainings for urban planners in municipalities for the interpretation of the Law No. 04/L-174 Spatial Planning, the following trainings were organized:

- Module 1- "Public participation in the processes of Planning" held on 5 to 8 May 2015, and the participating institutions were: MESP / Department of Spatial Planning, Construction and Housing, MLG, University of Prishtina; Civil Society - "Walk Unlike me", "INPO". Sixteen officers have participated from municipalities of Ferizaj, Gjilan, Mitrovica, Peja, Pristina, Rahoveci, Zubin Potok, North Mitrovica and Gracanica;
- Module 2 - "Development of the Municipal Development Plans" held on 26 to 28 May 2015, and the participating institutions were: MESP / Department of Spatial Planning, Construction and Housing. Twelve officials have participated from municipalities of Ferizaj, Gjilan, Gracanica, Malisheva, Prizren, Peja, Rahovec and North Mitrovica; and
- Module 3 - "Development of a Strategic Environmental Assessment for spatial planning" held on 18 to 22 May 2015, and the participating institutions were: MESP / KEPA and Department of Spatial Planning, Construction and Housing. Eight officials participated from municipalities of Prizren, Peja, Rahovec, Patesh and North Mitrovica.

Regarding *institutional and human capacity building* during the period May 2015 - August 2015, MESP has employed two new officials, one in meteorology sector (01 June 2015) and a professional official for housing policies (01 July 2015).

Furthermore, a workshop on "Low carbon (energy) study of growth in Kosovo" was organized by the World Bank on 20- 21 July 2015 in Prishtina, were eight officials from the Ministry of Economic Development and Ministry of Environment and Spatial Planning participated.

On the other hand, MESP, within the regional project, ECRAN, has organized the following trainings, seminars and workshops:

- Practical Training Module Two- regional quantitative models and development scenarios regarding Climate and Energy policy for setting emission targets (26- 28 May 2015) held in Istanbul, Turkey. attended by five MESP officials;
- Workshop on national policies for adaptation to climate change and legislation (3- 4 June 2015) held on Zagreb, Croatia, attended by four MESP officials;
- Regional Workshop on the NEC Directive (emission ceilings in the National level) (26 to 28 May 2015) held in Tirana, Albania. Attended by four MESP officials;
- Regional Training "Natura 2000 from Theory to Practice" (26 - 27 May 2015) held in Mikulov and Znojmo Czech Republic, attended by three MESP officials; and
- Workshop on "Convention on International Trade in endangered Species of Wild fauna and flora" (CITES) (02 - 04 June 2015) held in Podgorica, Montenegro, attended by six MESP officials.

Additionally, with ECRAN program-THEMIS for MESP Inspectorate, the following workshops were organized:

- The "Multi -national workshop on the application of legislation on cross-border transfer of waste" (19- 22 May 2015) held in Tirana Albania, attendet by three MESP inspectors;
- Regional training in building inspection techniques, organized in cooperation with the Central Inspectorate of Portugal Inspectorate of Agriculture , Sea , Environment and Spatial Planning (2- 7 June 2015) held in Portugal, attended by three MESP inspectors.

On the other hand, KEPA officials were involved in different activities within the European Environment Agency as follows:

- Workshop for air emissions, (11- 12 May 2015) held on in Milan, Italy, attended by one KEPA official;
- Workshop for environmental indicators and statistics of water (11-13 May 2015) held on Geneva, Switzerland, attended by one KEPA official;
- Regular annual meeting of the NFP (National Focal Point) (19- 21 May 2015) held in Copenhagen, Denmark, attended by two KEPA officials; and
- Workshop on freshwater (18-19 June 2015) held on Copenhagen, Denmark, attended by one KEPA official.

3.2.4. Transport Policy

Regarding secondary *legislative* developments in the field of Road Transport one A.I. were adopted:

- AI no 01/2015 on program of education, enforcement, training mode and assessment mode of security Councillors (28 May 2015).

While, in the field of civil aviation, during the reporting period the CAA has adopted six regulations derived from Phase II of the ECAA Agreement:

- Regulation No. 3/2015 on airport charges, which transposes Directive 2009/12/EC;

- Regulation No. 4/2015 laying down technical requirements and administrative procedures related to air operations ,which transposes Commission Regulation (EU) no 965/2012 as amended by Commission Regulations No. 800/2013, 71/2014, 83/2014, 379/2014 and 2015/140;
- Regulation No. 5/2015 laying down technical requirements and administrative procedures related to civil aviation aircrew, which transposes Commission Regulation (EU) no 1178/2011 as amended by Commission Regulations (EU) no 290/2012, 70/2014, and 245/2014;
- Regulation No. 6/2015 laying down implementing rules for the airworthiness and environmental certification of aircraft and related products, parts and appliances, as well as for the certification of design and production organisations, which transposes Commission Regulation (EU) no 748/2012 as amended by Commission Regulations (EU) no 7/2013 and 69/2013;
- Regulation No. 7/2015 on the continuing airworthiness of aircraft and aeronautical products, parts and appliances, and on the adoption of organisations and personnel involved in these tasks, which transposes Commission Regulation (EU) no 1321/2014; and
- Regulation No. 8/2015 laying down requirements on the quality of aeronautical data and information for the Single European Sky, which transposes Commission Regulation (EU) no 73/2010.

Road Safety Council held the latest meeting on 28 July 2015 and follow-up actions of the meeting were as follow:

- To increase the quality of the report on road accident statistics; and
- Establishing a working group with representatives of the relevant Line Ministries, which aims to analyze road accidents statistics and take preventive measures.

In addition, there was a continuation of awareness raising campaigns, where 11,000 brochures and 60,000 leaflets were distributed in schools throughout Kosovo

In terms of vertical and horizontal signalization, during reporting period, 70% of 1940 km of national and regional roads have been completed. As regards subsidy, one contract for lot (XVI) was signed on 29 June 2015 with the duration of 12 months.

In the field of road *infrastructure*, regarding the feasibility study and technical design for road N9 (Prishtina-Peja) segment Kiev-Klina-Zahaq (30km), Consultant Company has submitted the initial report of the feasibility study, and is working on an environmental impact report. With regard to implementation of R6 motorway Prishtina-Hani i Elezit, work is in progress on the segment C1 and C2 which connects road access R6/R7 -N2 (Crossroad for Gjilan) - Connection to Konjuh - Babush - Doganaj.

Concerning road maintenance, summer maintenance of all national and regional roads (1.884 km) has been completed 60%. Also the summer maintenance of the R7 motorway "Ibrahim Rugova" (78 km) is completed 90%. In addition, during this timeframe, 10.30 km of national road, 5.75 km of regional roads and 27.30 km of local roads have been rehabilitated.

In context of developments in civil aviation, three technical Joint Service Provision Area (JSPA) meetings were held in Prishtina, Banja Luka (BiH) and Budapest. Regarding *regional cooperation on civil aviation*, during reporting period the representatives of regional CAAs and air navigation service providers have participated in a workshop on regional cooperation in the field of air traffic management, organized in Skopje by the Macedonian CAA in cooperation with EUR OCONTROL.

Additionally, meeting of the ISIS II Programme governing body was held on 21 May 2015 in Banja Luka, Bosnia-Herzegovina, attended by representatives of the programme secretariat, region's CAAs and EC. Further, on April 2015 the CAA signed a Memorandum of Understanding on technical cooperation with

the Aviation Agency of Montenegro. The scope of the agreement covers flights safety, air traffic management and aerodromes.

Regarding developments in the field of *railways*, PSO contract agreement on partial compensation of public services between MI and TRAINKOS was signed on 05 August 2015. Moreover, during the reporting period the RRA has completed the annual report of the Railway Market Monitoring, and submitted to IRG-Rail Group Monitoring Report on the rail market. Additionally, has been prepared brochure and poster on the Passengers Rights, while was inspected the implementation of Network Statement of railway line Prishtine-Peje and vice versa for 2015 as well as licensing of train drivers.

Meanwhile, in relation to railway safety, during the reporting period the RRA has monitored safety management system into Trainkos and Infrakos and report with safety recommendation was sent to both companies, Infrakos and Trainkos. Moreover, on 5 August 2015 the RRA has issued the authorization for placing into service the rolling stock types as follows: ATLAS 1404ZW, PALFINGER KRAN, type "IVECO DAILY, PLASSER&THEUR ER, type "OBW 10 SPRINTER owned by Infrakos. The same vehicles have been registered into national vehicle register.

As far as human capacity building is concerned, 5 managers for goods transportation of goods and 11 managers for transportation of passengers were trained and certified according to IRU (International Road Union) standards. Moreover, 32 drivers for transportation of goods and 31 others in transportation of passenger were trained and certified. Whereas, 6 manipulators and 59 drivers have been trained and certified in transportation of dangerous goods.

As far as capacity building, regional and international meetings are concerned, during the reporting period the following activities were carried out in transport sector:

- Meeting of the Steering Committee of SEETO (June 2015) held in Belgrade, attended by MI officials;
- Meeting of the Steering Committee of SEETO and the meeting of Ministers of the region WB6 (June 2015) held in Riga, attended by MI officials;
- Two meetings of the working groups of Railways and Road Safety in the framework of SEETO (7 to 8 May 2015 and the second on 18 and 19 June 2015) held Podgorica and Tirana, attended by MI and RRA officials;
- Meeting of the Road Safety Working Group (June 2015) held in Brussels, attended by the MI officials;
- 47th Congress of CIECA (6 to 9 May) held in Berlin, attended by MI officials; and
- Meeting of Working Groups of TAG and EAG which are established within the CIECA- (17 and 18 June 2015) held in Madrid, attended by the MI officials.
- Workshop on Safety Management in Civil Aviation (26-30 January 2015) held in Prishtina, attended by the CAA officials;
- Workshop on Evolution of Air Traffic Control and Communication Systems, Navigation and Surveillance (CNS) in Europe (3-5 June 2015), held in Prishtina, attended by CAA officials;
- SAFA inspection, on-the-job training (OJT) (15 - 19 June 2015) held in Croatia, attended by the CAA officials; and

Training on economic regulation of ATM focused on SES I and SES II legislation (23-24 April 2015) held in Prishtina, attended by the CAA officials.

3.2.5. Energy

In order to ensure the *implementation of legislation* concerning energy sector, Energy Efficiency Municipal Plan has been adopted by Deçan municipality (27 May 2015).

Regarding the developments *in the gas sector*, project fiche has been finalized for the study-identification of consumption of natural gas in industry and households and the possibility to connect with the regional gas networks (TAP-IAP) for the purpose of applying at the WBIF. In the area of energy efficiency within this reporting period has been finalized the pre-feasibility study for the establishment of modalities for energy efficiency financing mechanisms (Energy Efficiency Fund or as a segment inside the Fund for Development and Employment).

In relation to the *electricity transmission, interconnections and security of supply*, during the reporting period considerable progress has been made at the project of transmission line 400kV Kosovo-Albania with 75% of the works completed. In the view of the establishment of infrastructure for secondary regulation Kosovo-Albania works are completed at the rate of 75%. Additionally, concerning the implementation of KOSTT rehabilitation projects the progress is as follows: SS Gjakova 2 110/10 kV completion of electrical works are at 85% while construction works are at 55%, and SS Prizren 3 110/10 kV completion of electrical works are at 75% while construction works are at 65%.

With regard to the *improvement of the distribution infrastructure*, from May-July 2015 technical losses are slightly decreased from 13, 05% to 13, 04% in comparison with equivalent period in 2014. On the other hand, commercial losses for the period May-July 2015 were 6.72% in comparison with equivalent period in 2014 there was a decrease of 1, 4%. As a result, overall technical and commercial losses are lower for 1, 5% compared to the same period of last year. Electricity billed in distribution was 708, 631 MWh almost the same compared to last year's 708, 235 MWh. However, the value of the billed electricity was EUR 40, 5 million for the period May-July 2015 being higher compared with the same period in 2014 which was EUR 34, 6 million; this is due to electricity tariff increase.

On the other hand the collection has increased for EUR 1 million compared to last year, resulting with an overall collection at EUR 40 million (excluding VAT). Further, collection compared to billing in electricity distribution for this period was 98%. KEDS funds for capital investment in this period are approximately EUR 10 million, while the amount of funds spent are approximately EUR 4 million.

In order to support operation activities respectively disconnection from electricity supply, Memorandum of Understanding was signed between KEDS, KESCO and Kosovo Police for the support and cooperation to KESCO field workers, mainly concerning their safety.

As per authorization procedure for *construction of new generators* from renewable energy sources, on 15 June 2015, ERO issued a final authorization to the company 'ECO-ENERGY' for construction of new hydro-power plant 'HP Binça' with installed capacity of 0.6 MW, on Morava River in the municipality of Viti.

In the area of *nuclear safety and radiation protection*, on 15 July 2015, new CEO of KARPNS has been appointed by the decision no 07/38 of the Prime Minister.

Within the reporting period KARPNS licensing office has issued the following licenses and authorizations:

- Import: 63 licences for mobile/tablets and iPad (non-ionised radiation);
- Import/transport: seven (7) licences for open radioactive sources used in medicine (⁹⁹Tc); and
- Import/transport: one (1) licence for closed radioactive sources for industrial uses.

Additionally, 25 inspections of places with radioactive sources were undertaken, as shown below:

- Radioactive waste (KEK, 'Trepça' and Youth Palace);
- Lightning rods all over Kosovo's territory; and
- Radiological institutes for used radioactive sources.

Furthermore, the Agency with the support of the experts from the consortium ITER-Consult has done the following activities:

- Review of the radioactive waste inventory and registry of the sources and radioactive waste;
- Installation of the software RAIS and RWRM of the International Atomic Energy Agency; and
- Publish of the five brochures and two posters for public awareness in the view of protection from ionizing radiation.

As far as *institutional and human capacities* are concerned, on 15 August 2015 a new employer has been recruited by the Energy Regulatory Office (ERO) at the position of managerial director.

With the aim to exchange the experiences and best practices in the field of radiation protection and nuclear safety, one (1) official from KARPNS has attended the study visit with the topic '*Radiation protection and environment*' at the Ferrara University-National Institute for Nuclear Physics, in Italy (01-04 July 2015).

In addition, KOSTT employees attended the following activities:

- Training for *Tension Regulators REG-DA, BCU-C264 and PACiS*, held in Poland (10 May 2015), attended by two (2) employees;
- Training on *Telecommunication in the framework of project SCADA/EMS*, held in France (17 May 2015), attended by five (5) employees;
- Training on *IET600/ITT600 for IEC 61850 Integration and Testing System Integration*, held in Switzerland (21 June 2015), attended by two (2) employees;
- Training on *SICAM RTU Complete RTU1703* in the framework of installation of the transformer in SS Berivojc and Viti, held in Austria (28 June 2015), attended by two (2) employees; and
- Training on *TL measurements* in the framework of the project transmission line 400kV Kosovo-Albania, held in Croatia (19 July 2015), attended by two (2) employees.

3.2.6. Information Society and Media

Regarding the *legislative* developments in the area of electronic communication during the reporting period, the Regulatory Authority of Electronic and Postal Communications (RAEPC) has adopted the following decisions:

- Decision No. 656 on amending Regulation No. 20 on the quality of electronic communication services (Ref. No. Prot.026/B/15) (25 June 2015);
- Decision No. 644 on beginning the process of market analysis of voice call termination on individual mobile networks (Ref. No. Prot.020 / B / 15) (27 May 2015);
- Decision No. 683 on imposing proportional economic sanction to the operator Kujtesa.Net sh.p.k. (Ref. Nr.Prot.035 / B / 15) (18 August 2015);
- Decision No. 682 on initiating the process of dispute resolution concerning interconnection of 5x SMS VAS numbers, reducing of fixed termination rates (FTRs) and mobile termination rates (MTRs) and allowing Bulk SMS traffic between operators PTK JSC and IPKO Telecommunications LLC ", (Ref. Nr.Prot.034 / B / 15) (18 August 2015);
- Decision No. 653 on adoption of the document for initiating formal consultation procedure with stakeholders for assignment of additional resources on the frequency band 1710-1785 and 1805-1880 MHz (Ref. Nr.Prot.024 / B / 15) (22 June 2015);
- Decision No. 645 on resolving disputes for the use of electronic communications infrastructure (poles) of PTK J.S.C. operator - business unit of Kosovo Telecom from operators: IPKO Telecommunications LLC and Kujtesa.Net Sh.P.K (Ref. Nr.Prot.021 / B / 15) (May 29, 2015);
- Decision No. 637 on assignment of numbering block for non-geographic mobile services (0) 45 1xx xxx for use by the operator VALA (Ref. Nr.Prot.019 / B / 15) (22 May 2015);

- Decision No. 654 on imposing sanction measure to Primal sh.pk; and
- Decision No. 636 on imposing proportional measure to the operator PTK J.S.C.

In the context of developing a plan for collection of ICT statistics, MED has benefited technical assistance from TAIEX during the period 26 to 28 May 2015. Participants in this event were representatives of the relevant line ministries, and as result, final conclusion was the necessity of better coordination of activities between the line institutions in order to establish sustainable statistical system for the ICT in accordance with EU standards.

Regarding human *capacity building* in RAEPC, three senior officials (for radio monitoring, service development/network security and economic analysis) were employed. Also, in MED, one senior official (for electronic infrastructure) was employed.

Furthermore, during the reporting period, officials of RAEPC and IMC have attended the following *trainings, study visits and conferences*:

- Training on Mastering European Postal Regulation (20-21 May 2015) held on Brussels, Belgium, attended by three RAPEC officials;
- 10th Regional Conference of Regulatory Authority for Electronic Communications (7-8 May 2015) held in Istanbul, Turkey, attended by two RAPEC officials;
- Conference of RAN and Backhaul networks (20-21 May 2015) held in Berlin, Germany, attended by one RAPEC official;
- Training on Employment Reforms: implementation of catalog into jobs for the employees in state administration, municipality and enterprises (12-17 June 2015) held in Turkey, attended by three RAPEC officials; and
- Training on Applicable Tax Laws in the Republic of Kosovo (12-17 June 2015) held in Turkey, attended by three RAPEC officials.
- Study visit to the media regulator of OFCOM (16-21 May) held in London, UK, attended by three IMC 3 officials;
- International Conference on Building Capacities and Coalitions for Defending Media Integrity (27-29 April 2015) held in Skopje, Macedonia, attended by one IMC official;
- International conference of EPRA on European Platform for Regulatory Authority (13-16 May 2015) held in Bern, Switzerland, attended by three IMC officials;
- Training on DVBT and DVBT (23-26 June 2015) held in Wien, Austria, attended by two officials; and
- Training of ATDI: Module ANTIOS, Module ICS Manager (22 August – 1 September 2015) held in Paris, France, attended by two officials;

3.2.7. Financial Control

In the area of internal audit and financial control the development of reforms in the Public Internal Financial Control (PIFC) has continued. The Public Internal Financial Control Strategy 2015-2019 has been finalized and approved by the Government. The Annual Report on the functioning of PIFC system (FMC and IA) has been prepared.

The ongoing monitoring of both internal audit units in order to increase the quality of internal audit, during Q2 2015, a total of 118 internal audits were conducted and during the same period a total of 180 recommendations were addressed by the management.

During the reporting period, the curricula for specific training and certification rules were revised. Also the procedures for certification were revised. The number of internal auditors that have been certified has increased from 32 to 67 (35 internal auditors have been certified).

The program to supplement the self-assessment lists electronically- online has been prepared. 5 officers of CHU-FMC and 3 officers of CHU-IA attended the training on the use and completion of self-assessment lists electronically.

On capacity development, training on quality assessment program with the Internal Auditors Unit was held and a number of auditors have participated in different trainings.

As regards the **external audit**, the Annual Audit Report 2014 has been prepared and submitted to the Assembly on 30th of August (according to the statutory deadline). The report has been prepared based on:

- Eighty-eight regularity audit reports under the KB;
- Eight performance audits: the Procurement System in Health Sector; Monitoring the use of Medical Devices (CT); Traffic Police Operations and Road Traffic Safety; Design and functioning of the RTK managing system; Subsidies from the central level; Subsidies from the local level; IT Strategy; Maintenance and repair of Official vehicles. The performance Audit Report 2014 was sent and discussed in the Assembly.

Nine audits of donor funds: Danida Project, seven co-funded by UN Habitat and the pool fund within the MEST. This year, we planned a higher number of performance audit reports compared to last year (18 in 2014/15 whilst 9 audits were reported in the audit season 2013/14). The high number of performance audits provides the Assembly with a range of analysis on the economy, efficiency, and effectiveness in using public funds.

Despite the challenges we have been able to finalise all the statutory audit reports with sufficient quality and contributed in different forms in strengthening good governance. In doing this we have been provided with capacity building/funds by the British Embassy, the Royal Norwegian Embassy, GIZ and Swiss Cooperation Office.

As regards the certification of auditors for the regularity audits, currently the percentage of auditors that have passed exams by levels stands as follows:

- Trainee Auditor: 9.3%;
- First level: 12.1%;
- Second level: 40.2%;
- Third level: 38.3%.

3.2.8. Statistics

Agency of Statistics has initiated the amendment of the Law on Official Statistics by developing a concept document, which has been approved by the government. The draft Law has been prepared which has included the EUR OSTAT recommendations. The law has been introduced in the legislative framework and agenda of the Government, planned to be adopted in October 2015.

In line with the Government Programme 2015-2018 the Law on Population Census has been drafted for four (4) municipalities in northern Kosovo that did not participate in the census of 2011. The Government of Kosovo will make a request to the EU Office for financial support of this project. The operational plan and budget costs have been updated for the draft law. In this regard, several meetings were held to align the operational plan and budgeted costs with EU Office in Prishtina. Population Census in four (4) municipalities in northern Kosovo has been proposed to take place from 1-15 April, 2016.

According to the Law on Official Statistics, in May 2015 KAS has prepared and submitted to the government the annual plan for Official Statistics for the year 2016. Government of the Republic of

Kosovo has approved the annual plan on 06.03.2015 (decision No. 08/32). This Annual Plan 2016 aims to finalize the objectives for better utilization of resources through organizational efficiency. In this context, the Annual Plan of Official Statistics defines operational priorities taken from Official Statistics Program 2013-2017. The priorities in the annual plan aim to achieve efficiency, productivity, increase of quality in the statistical system, fulfilling the requirements of users as well as meeting standards of the EU. Findings from international reports respectively European agenda are part of the annual plan of official statistics.

KAS has managed to implement the nomenclature of economic activities according to international standards NACE Rev. 2. As of September 2014, all publications have been published by NACE Rev. 2 as envisaged by the regulation. The previous time series from 2008 have been transferred to the NACE Rev. 2 (Business statistics, national accounts, prices and others).

A number of activities were implemented during the reporting period such as the publication of the Statistical Yearbook 2015, finalization of the online platform for the distribution of data ASKDATA, replication of data base of education statistics "EMIS" by MEST and ASK servers, Reports on KAS performance for Q1 and Q2 2015. Furthermore, business statistics register is implemented and it is regularly updated on a quarterly basis (the relationship with the administrative institutions (the owners of data) are quite good, and KAS does not have any problems worth mentioning).

In June, 2015 a summary of the results of LFS for 2014 has been processed, analysed and published, the results of LFS were published in detail.

KAS, for the first time in 2015 has started with organizing the survey for PRODCOM. This research deals with industrial production in annual basis, therefore the data refers to the year 2014, the research is based on a list of industrial products approved by EUR ostat.

KAS is sending the data to EUR ostat through EDAMIS. A significant number of community data (datasets) is sent through EDAMIS (economic statistics, agriculture and some population statistics). In the field of agricultural statistics the following statistics are sent through EDAMIS: prices and price index in agriculture for time series 2010-2014. The year 2014 and the quarters of 2014 and 2015 will be sent soon. Crops plant for series 2007-2012 have been sent, for the year 2013 and 2014 will be sent soon. Regarding the Livestock statistics, through the excel file economic accounts in agriculture 2005-2009 and 2010-2012 have been sent. It is planned to be sent also for the reference year 2013. In the field of economic statistics so far KAS sent the main tables in time series data for the years 2008-2013 through EDAMIS. Currently KAS has difficulties transmitting data through SDMX format.

In the timeframe of May 2015–August 2015 all publications are published according to calendar set of publications of KAS as follows:

In the area of agricultural statistics, the following publications were developed:

- Quarterly Output Price Index and Prices in Agriculture, Q1 and Q2 2015;
- Quarterly Input Price Index and Prices in Agriculture, Q1 2015;

During the reporting period KAS has published the following economic statistics and national accounts:

- Gross Domestic Product by expenditure and production approach in quarterly basis for Q4 2014, with current and constant prices;
- Kosovo Government Accounts (2008-2014).

In the area of enterprise statistics and business register the following statistics have been published:

- Energy Balance in Kosovo for the year 2014;
- Energy Statistics for Q1 2015;

- Industry Statistics for Q1 2015;
- Hotel Statistics for Q1 2015;
- Statistical Repertoire of Enterprises in Kosovo for the quarters Q1 and Q2 2015;
- Transport and Telecommunication Statistics for Q1, Q2 2015.

In the area of inflation the following statistics have been published:

- Consumer Price Index for the years 2002-2014;
- Consumer Price Index for the months April, May, June, July of 2015;
- Import Price Index for Q1 2015;
- Producer Price Index for Q1 2015;
- Construction Price Index for Q1 2015;
- Foreign Trade Statistics for the months April, May, June of 2015.

In the area of social and population statistics, the following statistics have been published:

- Results of the Kosovo 2014 Labour Force Survey;
- Social Welfare Statistics for 2014;
- Social Welfare Statistics for Q1 2015;
- Statistics for primary and lower secondary education 2014/2015;
- Statistics for jurisprudence for minors for the year 2014;
- Statistics for jurisprudence for adults for the year 2014.

In the area of general publication KAS Bulletin for Q3 was published, KAS Calendar of Publications 2015, KAS Language Policy Division 2014, Quarterly Bulletin and KAS Publication Catalogue 2014.

3.3. Justice, Freedom and Security

3.3.1. Visas, Border Management, Asylum and Migration

Border Management

The agreement on the demarcation of the Kosovo-Montenegro border was signed on 26 August 2015, in Vienna.

The company for the advancement and maintenance of the Border Management System (BMS) was selected on 7 May, 2015, through negotiated procurement procedures, in full compliance with the Law on Public Procurement. Currently this company is undergoing verification process by the Kosovo Intelligence Agency (KIA). Among other benefits, BMS allows for the screening of all biometric travel documents, reading of the biometric data integrated in the chip, development of statistical reports as well as intelligence analytical reports, avoidance of the duplication of the data, and the overall improvement of the security level. Moreover, the advancement of this system enables the database of this system to interlink with other relevant databases, namely the databases of DCAM and KVIS.

Tasking and Coordination Group, which was established to strengthen the activity coordination at borders and improve risk assessment, has met three times at the central level during the reporting period. Based on the recommendations issued in these meetings, Regional Border Directorates and Central Units have drafted operational plans to tackle problems encountered in each state region and have reported on the implementation of these plans. As a result of these efforts, 25 profiles of crime were generated during the reporting period from online and intelligence information. Moreover, three joint reports from the three IBM agencies were generated, and 66 intelligence information were exchanged between the central, regional, and local level, which have contributed in the prevention and fight of the cross-border crimes such as the smuggling of illegal goods, illegal border-crossing, and other illicit activities.

During the reporting period, one police operation against migrant smuggling was conducted and three suspects have been arrested.

Aiming at improving the performance at the BCPs, border management authorities are continuously provided with advanced border surveillance equipment. Under the KP budget, a special amount is allocated to vehicle supply, and during this period, border police were equipped with the following devices: 20 VSC QC-1, 2 VSC 6000, 1 Spectaluminesc, 10 Doctyloscopimagnifier, 18 Compact Devices, and 7 Thermal Cameras.

Regarding the implementation of the IBM strategy, regular and ad-hoc risk assessments, operations, and other border control activities are carried out by the Kosovo Police (KP) and other IBM agencies during the reporting period. Moreover, regular monthly reports on activities at the BCPs are generated. Statistics extracted from these reports are found below.

Table 51: Statistics on IBM regular risk assessments carried out during the reporting period

Categories of assessment	Q1 2015	Q2 2015	July 2015
Overall IBM			
Biannual	1	/	/
Annual	1	/	/
Local level			
Weekly	348	336	28
Monthly	/	/	/
Quarterly	/	/	/
Regional level			
Weekly	48	48	16
Monthly	12	12	4
Quarterly	4	4	0

Table 52: Statistics on IBM ad hoc risk assessments carried out during the reporting period

Categories of assessment	Q1 2015	Q2 2015	July 2015
Regional level	8	11	6
Central level	1	0	0
Total	9	11	6

Table 53: Statistics on IBM operations conducted by Kosovo Police during the reporting period

Conducted by (KP directorate/unit)	Q1 2015	Q2 2015	July 2015
Directorate of Operations	7	7	0
Directorate of Migration and Foreigners	0	0	0
Investigation Unit	8	1	0
Airport	6	4	1
Regional Directorate East	20	17	3
Regional Directorate West	24	20	4
Regional Directorate North	21	24	6
TOTAL	86	73	14

Table 54: Statistics on operations of **IBM agencies** carried out jointly during the reporting period

Conducted by	Q1 2015	Q2 2015	July 2015
Kosovo Customs & KP FAST Unit	13	13	0
Special KP Unit & K9 Unit	27	22	4
SP/Other Units	6	6	2
FVA	1	0	0
TOTAL	47	41	6

Table 55: Statistics on border control activities carried out at all BCPs during the reporting period

Categories of controls	Number of controls		
	Q1 2015	Q2 2015	July 2015
Persons	2,656,848	3,626,456	2,073,131
Vehicles	861,105	1,151,880	568,987
Airplanes	2,543	3,068	1,520
Trains	542	543	186

Table 56: Statistics on second-line border control activities carried out at all BCPs during the reporting period

Categories of controls	Number of controls		
	Q1 2015	Q2 2015	July 2015
Persons	12,246	7,638	2,714
Vehicles	6,244	5,816	1,672
Documents	3,370	2,996	929

Table 57: Statistics on persons detained arrested at BCPs and borderlines during the reporting period

Categories	Number of persons		
	Q1 2015	Q2 2015	July 2015
Arrested for various criminal acts	311	271	86
Arrested based on national orders	143	186	80
Arrested based on international orders	1	1	0
Detained	50	41	10

Table 58: Statistics on cross-border crime initiated during the reporting period

Categories of cases initiated	Number of cases		
	Q1 2015	Q2 2015	July 2015
Criminal acts	229	205	61
Minor violations	265	100	48

Visa Policy

Aiming at effectively enforcing the rules on the issuance of visas at BCPs, Manual on the Procedures for Obtaining a Kosovo Visa, paying particular attention to clarifying the procedures for issuing the visa at the BCPs, is distributed to relevant local and international institutions. As a result, the number of visas issued at the BCPs has continuously decreased, with only 2 visas issued at BCPs during the reporting period, while during the previous reporting period, the number was 5.

During this period, KVIS was not extended further; however, fingerprint readers were installed and functionalized in all diplomatic missions where KVIS is already operational.

Asylum and Migration

The new Regulation for the Reintegration of the Repatriated Persons and the Management of the Reintegration Program was adopted by the Government on 15 May 2015. In order to balance providing

the necessary and adequate assistance for every readmitted person and avoiding incentives for irregular migration, the cut-off date for the eligibility to benefit from the Reintegration Fund has remained the same. However, it must be emphasized that despite the date, persons belonging to vulnerable groups (ex.: persons with special needs and single-parents) are entitled to all benefits listed in the Regulation, regardless of the date. Moreover, the returnees are still eligible to receive services such as transport to the place of origin, health services, language and supplementary classes, vocational trainings, and employment services through employment offices at all levels. This approach reflects Kosovo's efforts to focus on sustainable reintegration of the readmitted persons as it encourages those able to generate income not to rely solely on financial assistance but to partake in programs such as vocational trainings, employment services, and business-start ups, which empower them in the long-term.

The Detention Centre for Foreigners is operational since 19 June, 2015. Its mandate includes receiving, registering, and accommodating foreigners staying irregularly in the country, as well as providing them with medical, legal, and psycho-social support throughout their stay in this centre. As per the organizational structure of this centre, two staff members are already recruited, while others remain to be recruited through internal transfers. Moreover, a database module specifically for the Centre was also created.

To further advance the database on asylum and migration, DCAM has modified the modules of the Asylum, Foreigners, Citizenship, and Readmission. This is done to reflect the changes in legislation covering these areas, such as changes in the manner of decision-making, data processing, and statistics generation. Moreover, regarding the interlinking between the DCAM database and KVIS, the Memorandum of Understanding between MIA and MFA was signed on 13 May 2015. This interlink enables these two institutions to exchange necessary data in the field of migration and asylum as well as the visa policy, and overall, the advancement of these databases and their interoperability contributes to a more efficient process of data generation and interpretation, which, in turn, enables institutions to evaluate the situation in the field more effectively.

On 10 June, 2015, Kosovo became a member of the Migration, Asylum and Refugees Regional Initiative (MARRI). Among other benefits from this membership, Kosovo will benefit from the establishment of a MARRI database for the certified interpreters of rare languages, which, when established, will address the issue of the lack of interpreters for these languages when dealing with foreigners or asylum-seekers speaking a certain rare language. On this issue, UNHCR continues to support local authorities through remote interpretation. However, no case of remote interpretation was evidenced during the reporting period as no such need was presented.

Regarding the development of capacities in the field of asylum, two trainings were delivered during the reporting period on the following topics:

- *"The Importance of Information from the Country of Origin when deciding on the refugee status,"* 5 May, 2015, attended by the Head of the National Commission For Refugees and one official from the Division of Asylum (DCAM); and
- *"Policy Drafting and Decision-Making,"* 11-14 June, 2015, attended by one official from the National Commission for Refugees.

Statistics indicate that the number of asylum-seekers in Kosovo experiences small fluctuations: during the reporting period, 20 asylum requests are evidenced, while in the previous reporting period, the number was 65. All these 20 persons received health services free of charge. Only 1 asylum-seeker benefitted from the social assistance scheme. The number of the beneficiaries from this scheme appears to be significantly low as most asylum-seekers use Kosovo primarily as a transit country.

Kosovo makes endeavors to ensure efficient and fair procedures for the deportation of individuals staying illegally in Kosovo. The table below shows data which illustrates actions of Kosovo institutions in this area.

Table 59: Data on measures taken against foreign citizens staying illegally in Kosovo, during the reporting period

Measures	Q1 2015	Q2 2015	Jul-Aug 15 th 2015
Imposed fines	178	237	162
Voluntary deportations	9	30	8
Deportations by force	8	7	9
Deportations based on court decisions	1	17	14
Persons held in the Detention Centre	0	0	12

During this reporting period, one travel document was issued to a foreign citizen. The number is the same for the previous reporting period as well.

The statistics in the area of **readmission** indicate an increased number of the readmission requests and readmitted persons when comparing the first and the second quarter of 2015. This drastic increase is indicated below.

Table 60: Statistics on the No. of readmission requests and the No. of readmitted persons (Q1 2015; Q2 2015; July and August, 2015)

Number of readmission requests		
Q1 2015	Q2 2015	Jul - Aug 17, 2015
2,316	5,174	1,136 ⁸
Number of readmitted persons		
Q1 2015	Q2 2015	July, 2015
2,922	7,554	1,830

It should be noted that since the beginning of 2015 and to date, more than half of the returnees returned voluntarily, while previously, the number of the returnees coming back voluntarily was lower in comparison to the number of returnees returned by force. In the period between 1st January - 31 July 2015 6,834 persons returned voluntarily, while 5,496 persons returned by force.

For the **reintegration** of the repatriated persons, the allocated annual budget for 2015 is EUR 2,112,670. Necessary preparations are undergoing for the decentralization of this fund in three pilot municipalities: Prishtina, Gjakova, and Ferizaj.

The number of staff in the Department for Reintegration paid from the allocated MIA budget is 23. So far, 21 job positions are filled while 2 remain in the recruiting process.

With the purpose of improving the tracking system for the beneficiaries of the reintegration program, on 15 July, 2015 MIA has selected the company which will carry out the advancement of Case Management System (CMS), and the work on improving the system began immediately. Some of the technical specifications of this advancement include enabling CMS to continuously track individual beneficiaries and the services provided to them, as well as giving the international organizations and supporting institutions access to enter data on the services provided by them (ex.: MESP on housing, MEST on language classes, MoH on health services, and MLSW on employment). The latter function aims at

⁸ Out of 1136, 600 received positive responses, 10 received negative responses, and the remaining are in the verification process. The explanations for the negative responses are communicated to the representatives of the relevant sending states.

preventing the overlapping of the services provided to the beneficiaries from different sources (IOM and the Reintegration Fund, for example).

Currently, Kosovo institutions are focusing on decentralizing the Reintegration Fund in the municipalities by gradually giving them ownership over the implementation of the program. For example, the new Regulation for the Reintegration of the Repatriated Persons gives municipalities independence in decision-making for the program components falling under the category of emergency support, such as house rent and furniture and winter assistance package. Therefore, ongoing on-the-job trainings are delivered to the municipal officers, based on the needs and requests of the municipalities. During the reporting period, 11 municipal officials were trained on the CMS data entry and management. Moreover, six workshops were delivered to a total of 148 officials in six regions: Pejë, Mitrovicë, Prishtinë, Ferizaj, Gjilan, and Prizren. These workshops covered topics on the drafting of the municipal action plans and its budgeting, needs assessment for each category of support, and the monitoring of the program implementation.

Multiple efforts from Kosovo institutions have been undertaken with the aim of shifting the focus of the support to the repatriated persons from short-term assistance activities to more sustainable programs. Table 60 shows the comparative statistics of number of beneficiaries from the Reintegration Program for the categories of sustainable reintegration.

Table 61: Services offered to the repatriated persons (Q1, Q2, and Jul-Aug 2015)

Program Component		Q1 2015	Q2 2015	Jul-Aug 15, 2015
Reintegration Program beneficiaries	Persons	857	685	292
Language and supplementary classes	Persons	120	109	N/A
Language and supplementary classes	Municipalities	9	9	N/A
Pupils returned to school	Persons	935 ⁹		
Vocational training	Persons	15	32	14
Start-ups	Business plans	36	15	1
Employment	Persons	16	10	15
Assistance to vulnerable persons	Persons/Families	5		
Houses rebuilt ¹⁰	Houses	-		19
Houses renovated	Houses	-		2
Houses furnished	Houses	-		31

Aiming at increasing the level of employment among the readmitted persons, MLSW has reached agreements with 26 local companies stating that these companies are willing to employ a number of readmitted persons. Due to these agreements, the number of the employed returnees has increased when compared to the previous years (during 2014, the total number of the employees was only 4), which was the total number of the employed readmitted persons throughout 2014. However, it is important to note that most of the persons readmitted opt for business start-ups rather than employment services. This factor also contributes in explaining why the number of start-up businesses is significantly higher than the number of the persons employed. Furthermore, with the purpose of preparing the readmitted persons for the job market through vocational trainings, MIA has allocated USD 488,414 from the Reintegration Fund to UNDP to deliver these trainings. It should be noted that all the requests submitted for vocational trainings receive positive answers.

⁹ The number of the repatriated pupils returning to school has hiked during this period (935) when comparing to the previous reporting period (32). This is due to the general high number of the returnees during this period, who the fact at those returnees were sent back only shortly after leaving Kosovo; thus, the time span between these children dropping out and returning to school was no lon enough, and these children were, in principle, able to catch-up immediately after their return.

¹⁰ 13 houses are finished, 3 are in the final phase, while 3 are in the initial phase.

Document Security

In terms of secondary legislation in the area of document security, with the goal of increasing the data registration in the new Civil Status Registry System, during the reporting period the following AIs were adopted:

- AI on Re-registration in the Basic Civil Status Registers, 13 May, 2015;
- AI on Defining the Procedure for Digitalization of Scanned Basic Civil Status Registers, 13 May, 2015;
- AI on the Conditions and Procedures for Personal Name Change, 15 May, 2015;
- AI on the Type and Amount of Information Allowed to be distributed to the Requesting Institutions and other Bodies, 9 June, 2015; and
- AI for Procedures on Equipment with Biometric Passports, 15 June, 2015.

Table 62: SOPs that were approved during this period:

SOPs approved on 3 June, 2015	SOPs approved on 7 August, 2015
<ul style="list-style-type: none">- SOP on Birth Registration;- SOP on Birth Certificate Issuance;- SOP on Marriage Act;- SOP on Marriage Announcement;- SOP on Marriage Rewriting;- SOP on Death Registration;- SOP on Death Rewriting;- SOP on the Registration of the Citizen; and- SOP on the Change of the Citizen.	<ul style="list-style-type: none">- SOP on the Verification Process; and- SOP on data provided by the CRA

The new Civil Status Registry System (CSRS-V2.0) was launched in July, 2015. The new system allows for the printing of the corresponding civil status data on the issued new certificates, which contain high security features ensuring protection against forgeries.

In terms of the digitalization of the civil registry books returned from Serbia, the trainings of the officials working on this process have started on 23 June, 2015. The process of the data entry from the books returned from Nis has started on 10 August, 2015 and it is expected to finish on 31 May, 2016.

Regarding inspections in the civil status offices, a total of 93 inspections were conducted during the reporting period. During same period, 4 warnings and 3 recommendations were issued by the CRA inspectorate. Moreover, CRA also carries out audits of the Municipal Civil Status Office. The technical procedures for data auditing are incorporated in the database of the Central Civil Status Registry, and the auditing is conducted regularly. The verification of the data in the system is conducted every other day, and when an irregularity is encountered, the system reacts automatically. Such cases are forwarded to the inspectorate and directorate of the civil status.

3.3.2. Fights against Money Laundering

With regard to *enforcement* in the area of money laundering, during the reporting period, FIU received 133 Suspicious Transaction Reports (STR). During this period 66 cases were concluded, out of which 56 were referred to KP and prosecution for further investigations, while 10 of them were cleared out as unsuspecting.

The prosecution offices have handled 5 cases of money laundering involving 10 persons, whereas:

- Criminal charges were dropped for 4 persons (40%);
- Investigations were terminated for 2 persons (20%);
- Indictments after investigations were filed for 4 persons (40%).

Table 63: Money laundering cases handled by KPC Jan-June 2015

Status	Jan-June 2015	
	No. of cases	No. of persons
Cases at work	33	92
Inherited cases	31	85
Cases solved	5	10
Cases pending	28	82

During Jan-June 2015, courts found 1 person guilty on charges of money laundering.

On capacity building in this field, 3 judges and 5 prosecutors attended one training session on money laundering and financing of terrorism.

3.3.3. Fight against Drugs

With regard to drug trafficking, an upward trend is evident in the number of drug trafficking cases and confiscated narcotics, with the exception of marijuana.

Table 64: KP comparative statistic on confiscated narcotics

Criminal offences	May-August 2014	May-August 2015
Criminal offences related to drug trafficking	142	119
Confiscated narcotics	Quantity	
Heroin	40.43 gram	7kg 50 gram
Cocaine	18 kg 273 gram	26.5 gram cocaine
Cannabis Plants	4,905 cannabis plants	182 cannabis plants
Marijuana	229 kg 950 gram	24 kg 652.8gram

In addition, in their course of work, the Kosovo Customs have detected around 6 kilograms of marijuana.

According to the data provided from the KPC tracking mechanism, prosecution offices have initiated investigations on 119 cases: 24 for drug trafficking, 90 cases related to drug possession and 19 cases for drug cultivation, while 64 criminal charges were pressed.

Table 65: KPC statistics on cases related to narcotics for Jan-June 2015

Status	No. of cases	No. of persons
Cases at work	621	980
Inherited cases	457	720
New cases	164	260
Cases solved	127	217
Cases pending	494	763

During Jan-June 2015, Prosecution offices have solved 127 cases involving 217 persons in the following manner:

- Charges were dropped for 4 persons;
- Investigations terminated for 8 persons;
- Indictment with the request for Punitive Order filed against 21 persons;
- Instant indictment filed against 78 persons;
- Indictment following investigations filed against 106 persons;

During the first half of 2015, Courts have issued the following verdicts against 71 defendants on charges of drug related crimes:

- 68 persons were found guilty;
- 1 person was found not guilty;
- Indictment was rejected for 2 persons.

Kosovo's fight against drug trafficking is not limited to police action and court decisions but it also extends to supporting addicts on their recovery efforts. During the reporting period, the MoH has delivered treatment programs with Methadone in five health institutions to 124 persons.

In the field of international cooperation against drug trafficking, one operation was conducted in cooperation with EULEX, 2 ST-messages were exchanged with international counterparts and joint international investigations are undergoing on three cases.

With the aim of prevention of drug abuse, with the cooperation of OSCE the national day against drug abuse was marked in June 2015 with several activities providing information on drug abuse risks and prevention. Moreover, lectures covering drug related topics were provided to 185 participants. In addition, there was 1 public debate, 5 media appearances and a seminar organised from OSCE regarding this phenomena.

3.3.4. Police

With the aim of strengthening international cooperation in combating organized crime, MIA signed the Police Cooperation Agreement with Slovenia in May 2015, which includes provisions on witness protection.

In order to ensure an effective functioning of intelligence-led policing (ILP), during this reporting period the Kosovo Police Information Systems' hardware and software were advanced integrating the module of operations and investigations. With the advancement of KPIS, police officials now have the technical possibility of conducting electronic intelligence reports (5x5x5).

On witness protection, it is worth noting that the 2015 budget of the Witness Protection Directorate (WPD) was increased by 50%, and that this Directorate has recruited 8 additional officials. Moreover, the WPD was transferred to premises more appropriate to its work with enhanced security measures and adequate infrastructure.

Aiming at providing an all-inclusive approach for minors in conflict with the law, victims and/or witnesses of crimes, Kosovo Police drafted and distributed guidelines for interviewing minors. In this light, special units for the treatment of minors were created, as well as special rooms for interviewing children in the central, regional and local level were established.

A budget amounting to EUR 10,000 for the support and re-socializing of the minors after their release is already allocated and the MoJ prepared all necessary bylaws and procedures to be followed during the supporting program, while the implementation will start in the end of August 2015.

Table 66: Number of minors treated by the Kosovo Probation Centre during the reporting period

Type of measure	No. of cases
Diversity measures	223
Education measures	256
Alternative measures	34
Probation	1
Support after release	40

3.3.5. Fight against Organized Crime

With the aim of providing an adequate *legal framework* in the area of interception, the Law on Interception of Telecommunication was adopted by the Assembly on 28 May 2015, and it has incorporated the recommendations issued by the Assembly Committee for European Integration, the civil society, EULEX and the EU Office.

The abovementioned law clearly defines interception for the purposes of criminal proceedings and interception for the purposes of intelligence and national security, tapping procedure, limitations, demand content, the content of the order for interception, obligations of authorized officer and surveillance sector, liabilities of network operators, security measures, storage and deletion of data. The law defines interception system as: interception interface and monitoring centre (interception interface would be within the Chief State Prosecutor Office and monitoring facilities in the KP for law enforcement agencies and one in KIA for intelligence needs) and foresees the establishment of the Commissioner for wiretapping surveillance that has the role of overseeing the legality of wiretapping within the Kosovo Judicial Council.

In terms of the enforcement of the legislation in the field of fight against organized crime, during May-August 2015, 21 investigations related to organized crime cases were initiated, where 12 criminal reports were filed and 21 suspects were arrested. When comparing these figures with the same period of 2014, an increase of investigations and persons arrested is evident. For more information see table below.

Table 67: KP comparative statistics related to organized crime cases

Types of cases	May-August 2014	May-August 2015
Organized crime cases	12	21
Persons arrested	20	21
Criminal reports filed	10	12

During Jan-June 2015, Prosecution offices have solved 3 cases of organized crime involving 21 persons in the following manner:

- Criminal charges dropped for 3 persons;
- Investigation terminated for 4 persons;
- Indictment following investigations issued against 14 persons.

Table 68: KPC statistics related to organized crime cases

Status	Jan-June 2015	
	No. of cases	No. of persons
Cases at work	46	360
Inherited cases	39	262
New cases	5	61
Cases solved	3	21
Pending cases	43	339

During this period, courts have issued verdicts against 2 defendants on cases of organized crime, where both defendants were found guilty.

In terms of international cooperation in the area of organized crime, during May-August 2015 Kosovo Police cooperated with USA and Czech Republic related to 2 OC cases, whilst one joint operation was concocted in cooperation with Germany. In terms of cooperation with EULEX, joint actions took place

regarding one operation and 2 pieces of information were exchanged. At the same time coordinated actions took place related to 6 operations with INTERPOL and 727 pieces of information were exchanged. With the aim of enhancing human capacities dealing with organized crime, during this reporting period 3 training sessions on strategic analysis of organized crime cases were held with 20 officials participating. Additionally, 23 training sessions on the fight against drug trafficking, THB, economic crimes and public procurement fraud were organized, where 393 police officers (border police, investigation department officials and DAOC officials) participated.

International Cooperation in Criminal Matters

Regarding international legal cooperation, during the reporting period, two agreements were signed. Specifically, on 9 June 2015, the Agreement on Mutual Legal Assistance in Criminal Matters was signed with Hungary and on 29 June 2015, the Agreement on Judicial Cooperation in Criminal Matters was signed with Germany. With respect to the number of cases processed and treated in matters of international judicial cooperation, MoJ/Department of International Legal Cooperation (DILC) has received and processed 541 new requests, 768 new requests under the open cases and 642 answers. More specifically refer to the tables below:

Table 69: Number of requests handled by MoJ/DILC

Type of New Requests	No.
Extradition	5
Mutual legal assistance	78
Recognition and enforcement of judgments	14
International Child Abduction	1
Service of documents	376
Other	1
Transfer of sentenced persons	3
Transfer of penal proceeding	3
International search warrant	60
Total	541

Soruce: MoJ/DILC

Table 70: Number of requests handled by MoJ/DILC

Types of new requests under the open cases	No.
Extradition	34
Mutual legal assistance	210
Recognition and enforcement of judgments	13
Service of documents	398
Transfer of penal proceeding	13
Transfer of sentenced persons	11
International search warrant	89
Total	768

Soruce: MoJ/DILC

Table 71: Number of requests handled by MoJ/DILC

Types of new requests under the open cases	No.
Extradition	9
Mutual legal assistance	118
Recognition and enforcement of judgments	14
Service of documents	461
Transfer of penal proceeding	9
Transfer of sentenced persons	2
International search warrant	29
Total	642

Source: MoJ/DILC

Fight against THB and Victim Rehabilitation

With the purpose of providing the necessary support to victims of crimes, the Government has adopted the Law on the Compensation of Crime Victims in May 2015. This law regulates the compensation of victims of crime and their dependants, the respective claiming proceedings and the decision making authorities.

In terms of strategic documents, the new Strategy against Trafficking in Human Beings, 2014-2019 was adopted in May 2015. The coordination process for the National Strategy against THB was based on an inclusive participatory system that involves central institutions, civil society, local and international Non-Governmental Organizations working in Kosovo.

In terms of implementation of the existing legislation covering this field, during this reporting period, 8 victims of THBs were identified by the KP. The number of victims of human trafficking who received treatment from Centres for Social Work during the reporting period is 5. Moreover, during this reporting period Centres for Social Welfare offered treatment and social services for 5 THB victims after which 2 of them were repatriated to their countries of origin, while 3 victims were reunited with their families.

According to the statistics regarding THB cases provided by the KPC, for the period of Jan-June 2015, prosecution offices dealt with 54 cases involving 150 persons.

Table 72: KPC statistics on THB-related cases Jan-June 2015

Status	Jan-June 2015	
	No. of cases	No. of persons
Cases at work	54	150
Inherited cases	43	123
New cases	11	27
Cases solved	3	12
Pending cases	51	138

As shown in the table above, Prosecution Offices during the first half of 2015 solved 3 cases related human trafficking involving 13 persons in the following manner:

- Criminal charges dropped for 1 person;
- Indictment following investigations against 11 persons.

During Jan-June 2015, courts have issued a verdict regarding one person related to THB crimes, where the defendant was declared guilty.

In terms of international cooperation, Directorate for the Investigation of Trafficking in Human Beings (DITHB) has exchanged 8 information records with the following states: Albania - 5; Sweden - 1; Great Britain - 1; UAE - 1.

Fight and Prevention of Terrorism

With the aim of enhancing the *legislative framework* in the fight against terrorism, the Law on Prohibition of Joining Armed Conflicts outside state territory, was approved by the Assembly in March 2015. With the aim of protecting the state interests and national security, this Law determines criminal offence of joining or participating in a foreign army or police, in foreign paramilitary and police formations, in organized groups or individually, in any form of armed conflict outside the territory of the Republic of Kosovo.

In order to enhance human capacities in this field, during May-Aug 2015, 1 lieutenant and 11 police officers were transferred to the Antiterrorism Directorate within KP. Moreover, during the second quarter of 2015, 5 joint trainings on fighting terrorism were organized with 30 participants from Police, Prosecution and other law enforcement agencies.

Economic Crimes

In terms of enforcement of the legislation in the field of economic crimes, according to statistics provided by KPC during Jan-June 2015 prosecution had at work 631 cases with 835 persons involved, out of which 481 cases with 615 persons were inherited while the rest were received in 2015.

Table 73: Economic crime cases handled by KPC Jan-June 2015

Status	Jan-June 2015	
	No. of cases	No. of persons
Cases at work	631	835
Inherited cases	481	615
Cases solved	152	186
Cases pending	479	649

During Jan-June of 2015, Prosecution offices solved 152 cases involving 186 persons in the following manner:

- Criminal charges were dropped for 59 persons (31.72%);
- Investigations were terminated for 27 persons (14.52%);
- Indictment for punitive order for 2 persons (1.08%)
- Instant indictment filed for 70 persons (37.63%)
- Indictments after investigations were filed for 28 persons (15.05%).

During Jan-June 2015, courts have reached the following decisions for 43 persons involved in economic crime cases:

- Indictment was dismissed before the main trial for 9 persons
- 22 persons were found guilty
- 1 person was released
- Indictment was rejected for 11 persons

Regarding the enforcement of policies related to *asset confiscation*, during this reporting period, the AMSCA has received 17 decisions on asset sequestration, 6 decisions on asset confiscation, 3 decisions for property return and 1 decision for asset freezing. The approximate value of the assets administrated by the agency in this period is EUR 1, 403,646.18.

On the subject of the auctions on sequestrated and confiscated assets, one auction was organized during the reporting period. The revenues from the auctioned assets in total are EUR 90,172.21.

Annex 1: List of Laws Adopted by the Assembly of the Republic of Kosovo

Name	Date of adoption
1. Law No. 05/L-009 amending the Law No. 03/1-087 on publicly-owned enterprises amended and supplemented by the Law No. 04/1-111	07.05.2015
2. Law No. 05/L-003 on the electronic supervision of persons whose movement is limited by the decision of the court	04.06.2015
3. Law No. 05/L-019 on ombudsperson	26.06.2015
4. Law No. 05/L -020 on gender equality	26.06.2015
5. Law No. 05/L-021 on the protection from discrimination.	26.06.2015
6. Law No. 05/L-033 on amending and supplementing the law No. 03/1-223 on the Kosovo judicial council	30.06.2015
7. Law No. 05/L -034 on amending and supplementing the law No. 03/1-225 on. state prosecutor	30.06.2015
8. Law No. 05/L -035 on amending and supplementing the law No. 03/1-224 on Kosovo prosecutorial council	30.06.2015
9. Law No. 05/L-036 on crime victim compensation	30.06.2015
10. Law No. 05/L -030 on interception of electronic communications	13.07.2015
11. Law No. 05/L-046 on amending and supplementing the Law No. 05/1-001 on the budget of the Republic of Kosovo	05.08.2015

Annex 2: List of Policy Documents Adopted by the Government of Kosovo

No.	Document Title	Date of adoption
1.	National Strategy and Action Plan Against Human Trafficking	08.05.2015
2.	Kosovo Vision for Skills 2020	20.05.2015
3.	Strategy on Improvement of Policy Coordination and Planning (Integrated Planning System)	03.05.2006

Annex 3: List of Subsidiary Legal Acts Adopted by Institutions of Government of the Republic of Kosovo

Title of legal act	Date of adoption
<i>Acts adopted by the Government</i>	
1. Regulation No. 07/2015 on internal organization and systematization of jobs of the Ministry of Health	16.05.2015
2. Regulation No. 08/2015 on reintegration of repatriated persons and Management of the Reintegration Program	27.05.2015
3. Regulation-No. 09/2015 on coordination of foreign donors assistance in the republic of Kosovo	09.06.2015
1. AI No. 03/2015 on budget impact assessment for new government initiatives	21.05.2015
2. Regulation No. 06/2015 ON central registry of types of permits and licenses	29.05.2015
3. Regulation No. 05/2015 on amending and supplementing of the regulation No. 17/2012 setting up payment rate for the services of the official control of the food and veterinary agency	29.05.2015
<i>Acts adopted by the Ministry of Justice</i>	
1. AI No. 04/2015 on working conditions and the2 compensation in case of disability caused in work for convicted persons	19.05.2015
2. AI No. 05/20152 on methods of inspection and control of the private enforcement agents	27.05.2015
3. AI-No. 06 /20152 on the use of force, permitting and use of restraint equipment and permitting, use and storage of firearms in correctional institutions	23.06/2015
4. AI-No. 07/20152 on house rules in correctional institutions	14.07.2015
<i>Acts adopted by the Ministry of Internal Affairs</i>	
1. Regulation No. 03/2015 appointment and mandate of directors of departments in Kosovo agency on forensic	06.07.2015
2. AI No. 09/2015 on defining the procedure for digitalization of scanned basic civil status registers	13.05.2015
3. AI No. 10/2015 on the conditions and procedures for personal name change	15.05.2015
4. AI No. 11/2015 for procedures on equipment with biometric passport	15.06.2015
5. AI No. 12/2015on procedures and forms for placing explosives and pyrotechnical materials in the market, requirements for CE marking and marking of packages	01.07.2015
6. AI No. 13/2015 on the type, form, model of the uniforms and identification card for the member of the EMA/PRAS	01.07.2015
7. AI No. 14/2015 on investigation of accidents with explosives and pyrotechnical products	28.07.2015
8. AI No. 06/2015 on the general registration procedures of the fact of birth, marriage and death	06.05.2015
9. AI No. 07/2015 on the late registrations in the civil status records	06.05.2015
10. AI No. 08/2015 on the re-registration in the principal civil status registers	21.05.2015
<i>Acts adopted by the Ministry of Education, Science and Technology</i>	
1. AI No. 05/2015 Normative for teachers of vocational education	23.07.2015
2. AI No. 06/2015 for normative over professional staff of the general education	30.07.2015
1. AI No. 02/2015 keeping student elections and the election of bodies and councils in academic units at the university "Kadri Zeka" of Gjilan	20.05.2015
3. AI No. 02/2015 keeping student elections and the election of bodies and councils in akademik units at the university "Fehmi Agani " of Gjakova	20.05.2015
1. AI No. 03/2015 keeping student elections and the election of bodies and councils in akademik units at the university "Isa Boletini" in Mitrovica	20.05.2015
2. AI No. 04/2015 the establishment, operation and composition of the council for	20.05.2015

vocational education and training for adults	
3. AI No. 07/2015 for school year calendar 2015/2016	10.08.2015
4. UA Nr. 08/2015 for the establishment of educational institutions	10.08.2015
5. AI No. 09/2015 principles and procedures for acceptance of degree of higher professional schools and university titles obtained in the territory of the Republic of Serbia	10.08.2015
<i>Acts adopted by the Ministry of Trade and Industry</i>	
1. AI 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	01.07.2015
2. AI No. 03/2015 on determination of fees for services provided by the business registration agency	21.07.2015
3. Regulation No. 01/2015 on the work of the national council for economic development of Kosovo	08.06.2015
<i>Acts adopted by the Ministry of Health</i>	
1. AI No. 02/2015 Organizing, determining the services and activities of Primary Health Care Institutions (PHC)	15.05.2015
2. AI No. 03/2015 Galenic laboratories	19.05.2015
3. AI No. 04 / 2015 Commission for the evaluation of medicinal products and devices / CEMPD	19.05.2015
4. AI No. 05 / 2015 Board of Appeals	19.05.2015
5. AI No. 06/2015 General and specific hospital conditions	10.07.2015
6. AI No. 07/2015 on laying down the requirements of good manufacturing practice, issuing manufacturing authorization and certificate of good manufacturing practice for medicinal products	23.07.2015
7. AI No. 08/2015 on clinical guidelines and protocols	23.07.2015
8. AI No. 09/2015 Smoke free premises and placing of signs on the prohibition of smoking in closed area	23.07.2015
<i>Acts adopted by the Ministry of Public Administration</i>	
1. AI No. 01/2015 on the websites of public institutions	28.05.2015
2. AI No. 02/2015 on the official email account	28.05.2015
<i>Acts adopted by the Ministry of Environment and Spatial Planning</i>	
1. AI No. 05/2015 for management of biphenyls and triphenyl polychlorinated and wastes with PCB and PCT	26.05.2015
2. AI No. 06/2015 on content and form of the legitimacy for the environment inspector, urban and construction	17.06.2015
3. AI No. 07/2015 on management of wastes from construction and from demolition of the building objects	23.07.2015
4. AI No. 08/2015 on determining the tariff value of services related to the process of environmental impact assessment	13.08.2015
<i>Acts adopted by the Ministry of Infrastructure</i>	
1. AI No. 01/2015 on the program of education, implementation and the method of training and assessment of the safety adviser	28.05.2015
<i>Acts adopted by the Ministry of Economic Development</i>	
AI No. 01/2015 on the rules for the exercise of control of postal operators	08.07.2015
<i>Acts adopted by the Ministry of European Integration</i>	
1. Regulation No. 09/2015 on coordination of foreign donors assistance in the Republic of Kosovo	09.06.2015
2. Regulation No. 01/2015 for subsidizing NGO's projects that promote European integration process in Kosovo	15.06.2015

<i>Acts adopted by the Ministry of Finance</i>	
1. AI No. 02/2015 on the adoption of technical valuation methods and criteria for calculation of the compensation amount for the immovable property expropriated, and damages relating to expropriation	12.08.2015
<i>Acts adopted by the Ministry of Foreign Affairs</i>	
1. AI No. 04/2015 on health insurance at diplomatic and consular missions of the Republic of Kosovo	18.05.2015
<i>Acts adopted by the Ministry of Culture, Youth and Sports</i>	
1. Regulation No. 08/2015 on the manner of storage and usage of archival material of the Ministry of Culture, Youth and Sports	11.06.2015
2. Regulation No. 07/2015 on the manner of functioning, criteria and procedures of exhibition in the gallery of Gallery of the Ministry of Culture, Youth and Sports	11.06.2015
3. AI No. 04/2015 for informal education of youth	22.07.2015