

EU Reform and Growth Facility for the Western Balkans

Reform Agenda of Kosova

The [*European Union for Reform and Growth Facility for the Western Balkans*](#) (RGF) is a new framework for accelerating European integration reforms of the entire region which combines EU accession reforms with direct financial contribution from EU funds in the budgets of the six beneficiary countries of the region and investment projects for this purpose. The purpose of RGF is to support beneficiary countries in implementing reforms required to fulfil EU membership criteria, as well as to accelerate growth and economic integration in the region and with the EU single market.

This facility was initiated by the European Commission in November 2023. For this purpose, the EC adopted the [*New Growth Plan for the Western Balkans*](#) and published it on 8 November 2023. The main economic objective of this facility is doubling of region's economies within the next ten years.

More specifically, as foreseen by this plan, RGF is based on four main pillars and has four objectives:

1. Enhancing *economic integration with the EU Single Market*;
2. Accelerating *economic integration within the Western Balkans through the Common Regional Market*, focusing on seven priority economic areas:
 - 1) *Free movement of goods*;
 - 2) *Free movement of services and workers*;
 - 3) *Access to the Single Euro Payments Area (SEPA)*;
 - 4) *Facilitation of road transport*;
 - 5) *Integration and decarbonisation of energy markets*;
 - 6) *Digital Single Market*; and
 - 7) *Integration into industrial supply chain*.
3. Accelerating implementation of *fundamental reforms for EU accession and sustainable economic growth*, including by attracting investments and strengthening regional stability; and
4. Increasing *financial assistance in exchange for the implementation of fundamental and economic reforms* through the financial package for the forthcoming medium-term period.

The RGF financial package envisages that during the 2024-2027 medium-term period all countries of the region together will benefit from EU funds in the amount of EUR 6 billion in total (EUR 2 billion in grants and EUR 4 billion in loans). Of this total amount, each country will benefit a proportional amount, based on the number of inhabitants and gross domestic product, in exchange for reforms to fulfil EU membership criteria in priority areas. Specific reforms for each country are planned within the Reform Agendas (RA), negotiated with the EC, focusing on five (5) priority policy areas that contribute to meeting the four RGF objectives.

Reform Agenda of Kosova

In order to implement the reforms within the RGF, the Republic of Kosova has negotiated with the EC the Reform Agenda of Kosova (RA), which was adopted by the Government of the Republic of Kosova on 9 October 2024. The RA is a mid-term reform document containing **111 reform steps** to be implemented by the end of 2027 in five (5) priority areas. RGF envisages that *by the end of 2027 Kosova* will benefit up to **EUR 882,609,009** from EU funds (as grants that will be transferred directly to the Treasury and as investments in infrastructure projects) after having implemented all the reform steps foreseen in the RA.

Reforms are medium-term objectives to be achieved in each of the respective policy areas by the end of 2027 through reform steps. The RA contains a total of 30 reforms, distributed in these five areas, further

broken down into subareas (components). Reforms are broadly formulated, addressing systemic aspects of the advancement of legislation, policies and the functioning of institutions in terms of alignment with the EU legislation, standards and good practices. In terms of scope, they focus on addressing challenges and priority needs in the relevant area and contribute to the achievement in Kosovo of the goals set by the EU in the RGF for all countries in the region. Reforms are further broken down into *qualitative and quantitative reform steps*, as specific objectives that contribute in achieving them. Reforms and reform steps have been identified based on Kosovo's sectoral strategies that are in force or being drafted, i.e. they are reforms planned by our own institutions within the reform dialogue for European integration that takes place with the EU and other related mechanisms.

More specifically, RA is structured in areas and subareas, as follows:

1. *Governance, Public Administration Reform and Public Finance Management*, containing 4 reforms and 15 reform steps, distributed in 2 subareas:
 - 1.1. *Public Administration Reform*, and
 - 1.2. *Public Finance Management*;
2. *Green and Digital Transition*, containing 8 reforms and 28 reform steps, distributed in 6 subareas:
 - 2.1. *Digitalisation of Public Services and Infrastructures*;
 - 2.2. *Cybersecurity*;
 - 2.3. *Market Reforms*;
 - 2.4. *Decarbonisation Policy*;
 - 2.5. *Renewables Deployment*; and
 - 2.6. *Energy Efficiency*;
3. *Private Sector Development and Business Environment*, containing 7 reforms and 26 reform steps, distributed in 2 subareas:
 - 3.1. *Business Environment*; and
 - 3.2. *Access to Finance*;
4. *Human Capital Development and Retention*, containing 5 reforms and 19 reform steps, distributed in 2 subareas:
 - 4.1. *Education*; and
 - 4.2. *Labour Market*; and
5. *Fundamentals / Rule of Law*, with 6 reforms and 23 reform steps, distributed in 6 subareas:
 - 5.1. *Judiciary*;
 - 5.2. *Fight against Corruption*;
 - 5.3. *Fight against Organised Crime*;
 - 5.4. *Fundamental Rights*;
 - 5.5. *Democracy*; and
 - 5.6. *Visa Policy*.

The legal basis for implementation of RA is the *Facility Agreement*, *Loan Agreement* and the *Government Decision on Adoption of RA*.

The RA consists of two sections: narrative text and the tabular part (the reform programming table). It is published below.