



Corrwatch Annual Report (February 2024- February 2025)

The Project "Support to civil society to increase public oversight and accountability of Kosovo public institutions" is funded by the Foreign, Commonwealth and Development Office through the British Embassy in Pristina.

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Non-technical Summary

In June 2022, a consortium established by Group for Legal and Political Studies (GLPS), Institute for Advanced Studies GAP, and Institute for Development Policy (INDEP) launched a three-year project aimed at increasing public oversight and accountability within Kosovo's public institutions. This initiative, known as CorrWatch, is supported by the Foreign, Commonwealth & Development Office (FCDO) through the British Embassy in Kosovo.

CorrWatch targets five components: 1. recruitment processes in public sector, 2. public procurement and contract management, 3. distribution of grants and subsidies, 4. issuance of permits, licenses, and tariffs, and 5. performance and management of publicly-owned enterprises. From February 2024 to February 2025, systematic monitoring was conducted across each targeted component.

Similar to the previous years, in recruitment, a main concern was the high number of acting officials in high level positions within the civil and public service. In addition to continuing this dangerous practice of high number of acting officials, during this period, many institutions exceeded the existing legal deadlines for holding vacant positions filled with acting officials. During this monitoring period, CorrWatch has monitored a total of 48 recruitment processes for high-level managerial positions, including reoccurring processes due to previous annulments.. Inevitably, CorrWatch had fundamental impact in improving these processes, and also in cancelling 8 of these processes due to irregularities identified. Unlike the previous year, the number of open competitions has increased during this monitoring period, but the quality of recruitment process did not significantly improve in a number of cases.

In the realm of public procurement, this monitoring period has been characterized by significant lack of planning and efficiency, and in numerous cases, institutions conducted procurement activities that were not foreseen with the procurement plans. As a result, public procurement still remains weak and vulnerable to potential corruption and harmful practices of public money expenditure. During this year, CorrWatch monitored a total of 19 public procurement activities, identifying violations in two important processes, such as the purchase of school textbooks and the supply of food for the needs of the Kosovo Security Forces.

In the component of grants and subsidies, CorrWatch did not note any major improvements during this period. In addition to lack of transparency, targeted institutions such as the Ministry of Culture, Youth and Sports (MCYS) and the Ministry of Agriculture, Rural Development and Forestry (MAFRD), remain vulnerable against misuse during grant and subsidy allocation, clearly highlighting the need for digitalization which is a long-standing recommendation of CorrWatch.. In this component, CorrWatch monitored to granting schemes - one in MCYS and another in MAFRD. CorrWatch's

intervention led to an improvement in a specific phase of the procedure of the granting scheme introduced by MCYS, elaborated in the sections below.

Similar challenges were also noted in the permits and licenses processes. Lack of transparency and accountability in procedures was noted in the processes monitored in both targeted institutions, including the Ministry of Environment, Spatial Planning and Infrastructure (MESPI) and the Independent Commission for Mines and Minerals (ICMM). The lack of transparency in these procedures further complicates the situation considering the existing bureaucratic procedures that make these processes more vulnerable to potential corruption and misuse. The opposite stands with the Energy Regulatory Office (ERO), where a higher level of transparency has been observed during this monitoring period. During this period, CorrWatch has monitored 70 public debates organized by MESPI and 4 processes of ERO in terms of tariffs, further elaborated in the following sections of this report.

In Publicly-Owned Enterprises (POEs), transparency and accountability have improved to some extent, although not across all of them. The need for fundamental and systematic changes is still an urgent need, as current standards applied by POEs do not provide for adequate functioning. During this period, CorrWatch monitored 20 board meetings, as well as board decisions and their respective plans.

1. Monitoring Methodology

This Annual Report follows the methodological framework established by the CorrWatch initiative. CorrWatch employs a multifaceted methodology incorporating a range of comprehensive assessment indicators applicable to all five monitored components, along with tailored metrics aimed at achieving impactful outcomes within each area. The methodological approach is structured to address four key questions: what, why, how, and final impact. Prior to commencing monitoring activities in 2022, a thorough needs assessment was conducted to identify focus areas and potential institutions requiring intervention. Overall, the CorrWatch methodology uncovers specific patterns and behaviors within targeted sectors that impede the efficiency and performance of public institutions. Through systematic monitoring, information is gathered and analysed for each area to identify patterns and deficiencies, which are subsequently addressed through specific recommendations outlined in periodic reports. The following section provides a brief overview of the methodological approach applied to each component.

In the first component, which centres on monitoring recruitment processes within the public administration, CorrWatch directs its attention primarily towards recruitments within the civil service, POEs, and independent agencies, particularly focusing on high-level positions. CorrWatch's methodology meticulously scrutinizes all phases of a recruitment process, encompassing criteria and procedures, the composition of admission commissions, verification of knowledge (including testing and interviewing),

and the effectiveness of complaint mechanisms. This monitoring endeavour combines proactive engagement during recruitment phases with comprehensive desk research, ensuring a thorough examination of each stage of the process. Additionally, CorrWatch employs data analysis techniques to identify trends and patterns, enabling us to offer targeted recommendations for improvement in recruitment practices.

In the public procurement component, similarly to the first component, the methodology foresees the monitoring of the following phases: budget planning, procurement planning, preparation of technical specifications opening and evaluation of bids, appeals procedure at the Procurement Review Body and contract management.

Within the initiative, interventions take place in the field of grant provisions and subsidies by certain public institutions, as well. The initiative encompasses interventions aimed at improving the transparency and accountability of certain public institutions in Kosovo, particularly in the realm of grant provisions and subsidies. Historically, there has been a lack of external oversight on crucial processes within Kosovo's public institutions, including the allocation of grants and subsidies, leading to concerns regarding transparency and accountability.

The monitoring methodology for permits, licenses and tariffs under CorrWatch is divided into two main categories. This approach comprehensively tracks the entire process, beginning with the announcement, procedures, and criteria, and culminating in their approval. To effectively combat corruption, CorrWatch utilizes a dual strategy of direct observation and desk research, tailored to the organization's mission and objectives. This methodology draws upon extensive analysis of past processes and experiences to ensure thorough monitoring and evaluation.

CorrWatch provides a two-fold methodological approach with regard to POEs. First, numerous POEs were selected directly monitored in terms of performance and governance, on the basis of their complexity or structural problems that need immediate interventions. In this regard, CorrWatch also focuses on three main aspects in this regard: transparency, accountability and efficiency. As for Transparency- the monitoring is focused on: availability of citizen satisfaction reports on both company and monitoring unit websites, regular release of quantitative data as mandated by law, accessibility of consolidated financial statements and company regulations online, publication of annual performance reports. In regards to Accountability- our focus areas include: Regularity of customer satisfaction assessments, Responsiveness to consumer complaints, Annual complaint rates, segmented by complainant gender, Communication channels and engagement initiatives with consumers, Adherence to the dismissal provision for board members failing to meet financial goals. In terms of Efficiency- CorrWatch's monitoring centres on Consumer growth trends over the past decade, collection rates relative to billing and outstanding consumer debts, profit/loss trends over the last decade, ratio of operating expenses to total revenues, representation expenses as a portion of total expenses, litigation outcomes, including cases lost and statute of limitations lapses. Second, CorrWatch closely follows the processes of board members' appointments. As these boards are entrusted to manage and operate these enterprises,

ensuring transparent and merit-based appointments is vital. While the monitoring methodology aims to pinpoint the shortcomings, concrete policy solutions are pushed forward, aiming to ultimately support targeted POEs in their efforts to improve financial and operational performance. This is achieved by actively monitoring board meetings and conducting desk research.

2. Recruitment Processes In Public Institutions In Kosovo

Recruitment during this monitoring period has been characterized by fundamental changes, taking into account the entry into force of the new Law on Public Officials.¹ This law decentralized recruitment but also introduced procedural changes that have not always been in favour of recruitment efficiency, that will be elaborated further in the following sections. Unlike the previous period, this monitoring year has seen an unusual increase in the number of open procedures at the senior management level. In 2023, there were only 20 procedures at the senior management level, while in 2024 the number increased to 74 procedures.² The increased number does not indicate that more positions are vacant, since these positions have also been vacant in 2023, leading to the only explanation for the situation, which is political will. During this period, CorrWatch managed to identify a series of issues, including unlawful shortlisting, errors in the written test and poor practices in both the written test, and the interview phases. Also, similar to previous period, this year was characterized by a high number of acting officials in senior management positions, such as the secretary general of ministries, or senior management level in executive agencies.

During this monitoring period, CorrWatch monitored the following recruitment processes:

1. Ministry of Foreign Affairs and Diaspora – Secretary General
2. Health Insurance Fund – Director
3. Telecom of Kosovo – Director of the Board
4. KEK – Chief Executive Officer
5. Civil Aviation Authority – Director General (twice)
6. Ministry of Defense – Secretary General
7. Independent Media Commission – Chief Executive Officer
8. Food and Veterinary Agency – Director General

¹ Official Gazette of the Republic of Kosovo, Law No.08/L-097 on Public Officials, 18 September 2023, available at: <https://gzk.rks-gov.net/ActDetail.aspx?ActID=81430>

² Data was collected from the Human Resources Management Information System (HRMIS) from January to February 2025, available at: <https://konkursi.rks-gov.net/>

9. Trepça JSC – Supervisory Board (twice)
10. Kosovo Forestry Agency – Executive Director (twice)
11. Independent Commission for Mines and Minerals – Board Member
12. Inspectorate at the Ministry of Justice – Executive Director
13. Ministry of Finance, Labor and Transfers – Secretary General (three times)
14. Ministry of Local Government Administration – Secretary General
15. Hydroeconomic Enterprise "Ibër Lepenc" – Internal Auditor (three times)
16. Kosovo Tax Administration – Director General
17. Information Society Agency – Director General
18. Agency for the Administration of Seized or Confiscated Assets – Director General
19. Agency for the Development of Agriculture – Director General (twice)
20. CEC- Director of the Secretariat (twice)
21. Ibër Lepenc – Chief Financial Officer (twice)
22. Independent Commission for Mines and Minerals – Director General
23. Kosovo Institute for Public Administration – Director General (twice)
24. Kosovo Agency for Medical Products and Equipment – Executive Director, (twice)
25. CEC – Expert for financial control;
26. Kosovo Employment Agency -MFPT – Executive Director; (twice)
27. OPM – Inspector General.
28. Civil Registration Agency – Executive Director;
29. Free Legal Aid Agency – Executive Director
30. Business Registration Agency – Executive Director
31. Investment and Enterprise Support Agency – Director General
32. Assembly of the Republic of Kosovo – Secretary General
33. Ministry of Economy – Secretary General
34. Kosovo Agency of Statistics – Executive Director
35. Privatization Agency of Kosovo – Executive Director (twice)
36. RTK – Director General
37. Civil Registration Agency – Executive Director
38. Agency for Gender Equality – Executive Director;
39. Cyber Security Agency – Executive Director;
40. Kosovo Energy Corporation – Board
41. Ministry of Health – Health Inspectorate – Chief Health Inspector; (three times)
42. Director Generalate of Accreditation – Director General
43. Treasury of Kosovo – Executive Director
44. Ministry of Communities and Returns – Secretary General
45. Industrial Property Agency – Director General
46. Inspectorate in the Ministry of Justice – Executive Director
47. Agency for the Administration of Seized or Confiscated Assets (AAPSK) – Director General
48. Ministry of Environment, Spatial Planning and Infrastructure – Secretary General

2.1. Institutions persistently relying on Acting Officials for Senior Management Level

Unlike the previous legal framework, Law No. 08/L-097 on Public Officials (LPO) regulates and recognizes the functioning of a management position with an acting officer. Article 35 of the Law provides that if a position remains vacant, an acting officer may be appointed for a certain period of time.³ The LPO sets an initial term of 6 months and in case the same position cannot be filled, it can be extended for another 6 months, i.e. 1 year.⁴ At the time the law entered into force, there was a large number of acting officials at management level. Despite surpassing the legal deadlines of 1-year term, many of these positions remain unfilled. Several issues led to this situation, starting from the small number of candidates, a lack of qualified candidates, procedural violations that led to cancellations, and the failure to open certain competitions. Out of 74 procedures initiated in 2024 at the senior management level, 10 of them failed as a result of the low number of candidates.⁵

In September 2024, CorrWatch publicly reacted to this situation,⁶ alerting the institutions to the high number of acting officials. Special emphasis was put to the fact that this situation produces another legal consequence, which is the declaration of illegality of any decision taken by the acting officials after exceeding the 1-year term provided with the law.⁷ This situation caused significant confusion among public officials and citizens. Furthermore, institutions took little to no steps to improve the current situation, or at some instances they merely replaced the current acting officials that passed the legal deadlines with other public officials, undermining the current legal framework. In addition, the phenomenon of acting officials was marked by significant lack of transparency and accountability towards the public, in specific to how this situation is being handled and/or resolved by the relevant institutions. CorrWatch considers that institutional transparency in this regard is imperative, given the fact that illegal decisions undertaken by acting officials that have surpassed legal deadlines have a direct impact on citizens, leading to potential violations of the rights and interests of persons, especially by institutions that are mandated to provide public services.

2.2. Unlawful shortlisting practices

Another reoccurring negative practice note during this period are the unlawful shortlisting practices during the preliminary verification phase. There were several cases where candidates who did not meet the criteria or did not have all relevant documents uploaded according to the competition were shortlisted. In the case of the competition for the position of the director of the Civil Aviation Authority (CAA) opened in

³ Official Gazette of the Republic of Kosovo, Law No.08/L-097 on Public Officials, Article 35, Paragraph 1, available at: <https://gzk.rks-gov.net/ActDetail.aspx?ActID=81430>

⁴ Ibid, Article 35, Paragraph 3

⁵ Data was collected from the Human Resources Management Information System (HRMIS) from January to February 2025, available at: <https://konkursi.rks-gov.net/>

⁶ CorrWatch, "PUBLIC REACTION – On the Unlawful Occupation of Senior Management Positions on acting basis", 27 September 2024, available at: <https://corrwatch.org/2024/09/30/reagim-publik-per-mbajtjen-nemnyre-te-paligjshme-te-pozitive-drejtuese-me-ushtrues-detyrereagim-publik/>

⁷ Official Gazette of the Republic of Kosovo, Law No.08/L-097 on Public Officials, Article 35, Paragraph 5, available at: <https://gzk.rks-gov.net/ActDetail.aspx?ActID=81430>

March 2024, 3 candidates that did not meet the work experience criteria (8 years of professional work experience and 5 managerial) were shortlisted. CorrWatch considered the CAA's shortlist as invalid and recommended for a review in order to ensure a regular process, in compliance with the legal criteria and procedures. However, CorrWatch's recommendations were not addressed leading to a public reaction⁸ which later on resulted in the initiation of investigations by the Police upon order from the Prosecution. Following the decision of the Independent Oversight Council for the Civil Service of Kosovo (IOBCSK) to return the procedure to preliminary verification,⁹ in which case IOBCSK also confirmed CorrWatch findings, the CAA has cancelled the competition, to reopen it in January 2025.¹⁰

Similar situation occurred with the position of Director of the Information Society Agency (ISA), an agency within the Ministry of Internal Affairs (MIA). During the monitoring of the preliminary verification phase for this recruitment process, CorrWatch has identified several violations of the existing legal framework. More precisely, MIA shortlisted candidates who did not meet the criteria outlined in the competition, particularly those on the legal requirements for work experience and proof that no disciplinary measure were in force against the candidate, which is for a requirement for senior management level positions. CorrWatch raised these concerns with the institution and the evaluation committee, and also made a public reaction,¹¹ recommending a review of the process due to abovementioned legal violations. However, the ministry continued with the recruitment process, which poses a legitimisation of an unlawful process due to law violations. Following the IOBSCSK's decision on a candidate's appeal in this process, the procedure was reverted to the preliminary verification and subsequently annulled, as it was determined that none of the candidates met the required criteria.

In another case, CorrWatch noted that the Ministry of Industry, Entrepreneurship and Trade (MIET) acted similarly, by including ineligible candidates in the shortlist for the position of the Director General of Accreditation. More specifically, the shortlist of the preliminary verification results included two candidates despite the fact that only one of them met the general legal conditions and criteria for work experience outlined in the competition. Also, in the final list of results, both candidates were declared winners and advanced to the final stage of the appointment.

In addition to the civil service, similar irregularities were also noted in the POEs, more specifically, during the recruitment for directors of the board of the Kosovo Energy Corporation (KEC). During the preliminary verification phase, CorrWatch noted that five (5) candidates, were shortlisted by the Recommendation Commission and invited for an interview, despite not having met the legal criteria set out in the Law on Public Enterprises.¹² More

8 CorrWatch, PUBLIC REACTION – The recruitment process for the Director General of the Civil Aviation Authority is characterized by violations: CorrWatch calls for a review, 15 May 2024, available at: <https://corrwatch.org/2024/05/30/reagim-publik-10/>

9 Decision of the IOBSCSK A.no.981/2024

10 Competition for the Director General of Civil Aviation Authority, HRMIS, available at: <https://konkursi.rks-gov.net/advertisement/details?refNumber=RN00016462>

11 CorrWatch, "The recruitment process for the Director General of the Information Society Agency is characterized by violations: CorrWatch calls for a review", 12 July 2024, available at: <https://corrwatch.org/2024/07/12/reagim-publik-11/>

12 Official Gazette of the Republic of Kosovo, Law No.03/L-087 on Publicly Owned Enterprises, 15 June 2008, available at: <https://gzk.rks-gov.net/ActDetail.aspx?ActID=2547>

specifically, four candidates did not have the required senior management experience, while one candidate (who withdrew from the process after the preliminary verification) did not submit a valid ID card, as required. The competition announced by the Secretary General of the Office of the Prime Minister (OPM), clearly states that “Incomplete applications will not be reviewed”. CorrWatch recommended the OPM and the Recommendation Commission to review the shortlist in accordance with the legal criteria and procedures in force. However, the Commission did not take into account CorrWatch’s recommendation and continued interviewing candidates¹³, recommending 13 candidates to the Government, 3 of whom were included in the list, even though they did not meet the criteria.

2.3. Exceeding Deadlines – Institutional Inability to Comply or Deliberate Delay?

According to Regulation (Grk) No. 05/2024 on Amending and Supplementing Regulation (Grk) No. 15/2023 On Admission Procedure in the Civil Service, after preliminary verification, the written test must be held 15 days after the publication of the shortlist.¹⁴ The same regulation applies to the interview, which stipulated that the interviewing process must be held 15 days after the publication of the written test results.¹⁵ These deadlines are set to hold institutions accountable for the efficiency of the procedure and to avoid unreasonable delays. Nevertheless, these legal deadlines can also pose a real risk in being used as mechanisms to lead to the cancellation of competitions when they are not met, so it remains vital that the responsible institutions review these deadlines to avoid such loopholes that can lead to irregularities and illegality.

During this monitoring period, CorrWatch noted that legal deadlines were ignored in several cases, by both, institutions leading the recruitment process and the IOBSCK. For instance, in the case of the Ministry of Defense, the 15-day deadline was exceeded from the publication of the results of the written test to the interviews. In specific, 21 days had passed from the written test to the interviews.¹⁶ CorrWatch raised this concern with the Ministry of Defense recommending the cancellation of this process. At the same time, CorrWatch has also addressed this issue to IOBSCK, since they were concurrently handling a complaint about this procedure, but not on this same issue. However, CorrWatch has not received any response, and the Secretary General of the ministry is already appointed via this recruitment procedure

At the Kosovo Forestry Agency, the same case appeared twice. The first time, the evaluation commission took CorrWatch’s recommendation

¹³ Shortlist of candidates selected for interview for members of the Board of the Kosovo Energy Corporation JSC KEK, Office of the Prime Minister, 3 December 2024, available at: <https://kryeministri.rks-gov.net/blog/lista-e-ngushte-e-kandidateve-qe-jane-perzgjedhe-per-interviste-me-goje-per-anetare-te-bordit-korporata-energjetike-e-kosoves-sh-a-kek/>

¹⁴ Official Gazette of the Republic of Kosova, Regulation (Grk) No. 05/2024 on Amending and Supplementing Regulation (Grk) No. 15/2023 On Admission Procedure In The Civil Service, Article 10A, paragraph 1, available at: <https://qzk.rks-gov.net/ActDetail.aspx?ActID=83571>

¹⁵ Official Gazette of the Republic of Kosova, Regulation (Grk) No. 05/2024 on Amending and Supplementing Regulation (Grk) No. 15/2023 On Admission Procedure In The Civil Service, Article 10A, paragraph 8, available at: <https://qzk.rks-gov.net/ActDetail.aspx?ActID=83571>

¹⁶ Competition for Secretary General of the Ministry of Defense, HRMIS, available at: <https://konkursi.rks-gov.net/advertisement/details?refNumber=RN00013607>

into account¹⁷, while the second time they were ignored.¹⁸ However, this recruitment procedure was cancelled by a decision issued by IOBCSK due to a complaint filed by a candidate, but for entirely different reasons. This approach demonstrates that legal deadlines provided with applicable laws remain prone to irregularities, given that they are not considered in several cases by either the institution leading the recruitment process, nor the IOBCSK, that plays a supervisory role.

On the other hand, for the recruitment process of the director of the Kosovo Medicines Agency, the deadline for holding the written test was exceeded. CorrWatch has addressed this issue to the institution and the evaluation committee, which led to a cancellation of the process.¹⁹

2.4. Human Resource Management Information System (HRMIS): its flexibility and how to better utilise it

HRMIS is a digital platform dedicated to the administration and management of human resources, including recruitment processes, in accordance with the requirements of the LPO.

Considering that the HRMIS was created to facilitate and automate recruitment procedures among others, in certain cases, CorrWatch has observed a hesitation from the Department for the Management of Public Officials (DMPO) to implement the decisions of institutions to return a certain procedure to a previous stage. On the other hand, this is not the case with IOBCSK decisions since once it decides to reinstate a phase, its implementation is carried out by DMPO. This differentiated approach should be avoided by the DMPO, as lack of flexibility and complexity of cases should not be used as standing reasons to reject implementation of legal decisions undertaken by relevant institutions handling a certain recruitment position. In general, the DMPO should employ a proactive approach, and prevent such cases from reaching the IOBCSK, whenever possible.

Another problem observed during the monitoring period is related to the elimination of candidates due to failure to meet the citizenship criteria, where in many cases the candidates lack the document proving citizenship or the same has expired. Paradoxically, these candidates are often employees of the institution themselves. Even though the HRMIS is linked to the Civil Registry, making it impossible to create an account without being a citizen of the Republic of Kosovo – which fulfils the condition set out in Article 9 of the LPO. While HRMIS provides a structural safeguard, its effectiveness depends on proper enforcement by the Ministry of Internal Affairs.

¹⁷ Competition for Executive Director of Kosovo Forestry Agency, HRMIS, available at: <https://konkursi.rks-gov.net/advertisement/details?refNumber=RN00014136>

¹⁸ Competition for Executive Director of Kosovo Forestry Agency, HRMIS, available at: <https://konkursi.rks-gov.net/advertisement/details?refNumber=RN00014828>

¹⁹ Competition for Executive Director of Kosovo Medicines Agency, HRMIS, available at: <https://konkursi.rks-gov.net/advertisement/details?refNumber=RN00014464>

2.5. Legal Violations in Admission Committees' Composition

As per the LPO, admission committees are supposed to be the main mechanism that ensures the integrity of a merit-based recruitment process. These committees are responsible for the professional assessment of candidates, which is the main part of a recruitment procedure, therefore their composition must be in accordance with the law and with credible and undisputed members.

The LPO, in Article 48, expressly stipulates that "The State Admission Committee for Senior Management Category Positions ... has five (5) members, in this composition... 3.1. three (3) existing civil servants in senior management category positions".²⁰ From this provision it is clear that in order to be a member of the Committee, the legal requirement "to be an existing civil servant in senior management category positions" must be met. The law has rightly determined this criterion, considering the level and importance of the senior management category and that this criterion is not met if the members are not senior management category civil servants.

However, CorrWatch has observed that, in several cases, acting officials have been appointed as committee members. Such decisions are troublesome due to the fact that acting officials are often civil servants of lower categories, i.e. from the middle and lower management category, but also from the professional category. As a result, such members do not necessarily meet the requirements of civil servants of the high managerial level category in order to assess the knowledge, skills and abilities of candidates who apply for the senior management category. Besides not complying with the LPO (substantive law), this practice also constitutes illegality of the procedure according to paragraph 1.5 of Article 52 of the Law on General Administrative Procedures (LGAP).²¹

Another phenomenon in the composition of these committees, is the designation as members of the committees, of Secretaries General or equivalent positions that are still in a probationary period. While these positions are still under the condition of confirmation of the probationary period, they should not serve as members of the admission committees. This was also confirmed by IOBSCK decisions²² that led to cancellation of an entire competition in some of the cases that had such composition of committees.

Another legal requirement for the establishment of the admission committees for high managerial level positions is the approval of the list by the Government with potential candidates for committee members and then the same are selected through the computer system in an algorithmic manner by the responsible unit, and appointed by the Government upon the proposal of the minister responsible for public administration. A year after the enforcement of the LPO, these procedural steps are not followed by the Government during the establishment of these committees.

²⁰ Official Gazette of the Republic of Kosovo, Law No.08/L-097 on Public Officials, Article 48, available at: <https://gzk.rks-gov.net/ActDetail.aspx?ActID=81430>

²¹ Official Gazette of the Republic of Kosovo, Law No. 05/L-031 on General Administrative Procedure, Article 52, paragraph 1.5, available at: <https://gzk.rks-gov.net/ActDetail.aspx?ActID=12559>

²² Decision of the IOBSCK No. A.nr.1679/2024 in the case of the competition for the position of Executive Director of KBRA/MIET and decision of the IOBSCK No. A.nr.1703/2024 in the case of the competition for the position of Executive Director in the Forestry Agency/MAFRD.

2.6. Challenges in the Written Test Procedure

During this monitoring period, irregularities were also noted during the written test procedures in a couple of cases, including those related to selection of questions, distribution, and the question bank. The current regulation²³ allows questions to be selected way in advance, without regulating any standard procedures to avoid problems and abuses. This practice provides a potential risk for questions to be illegally distributed to candidates. Another problem that relates to this is the lack of a question bank that can also mitigate a potential distribution of questions to candidates. The lack of a question bank has led to various institutions adopting different practices in this regard, lacking uniformity and standard procedures in compiling and selecting questions. Two cases encountered by CorrWatch that illustrate these problems are the written test for the recruitment process of the Chief Executive Officer of the Independent Media Commission (IMC) and for the director of the Free Legal Aid Agency (FLAA). For the former, the answers given by the commission to the questions posed contained errors, and as for the latter, the questions posed were based on the abrogated law on free legal aid, as noticed by the candidates.

As for the essays, as an integral part of the written test, the problems lie in the fact that there is no structured assessment of the essays, there are delays in the assessment of the essays since each member of the commission has assessed at different times and places, but also the essay topics are not always tailored to the position and institution for which the recruitment procedure is being carried out.

2.7. Interviewing process: decline in quality

During this monitoring period, a decline on interviewing process quality has been noted. There were several cases where issues were noted compared to previous years, and especially since the British Embassy project for senior management positions has concluded.

In many cases, members of the evaluation committees do not keep notes which are vital for an objective and thorough assessment. Also, minutes of interviews are not kept. Although not required by law, doing so would create a good practice that would contribute to a better recruitment process.

At the same time, the tendency to discuss assessments beforehand is evident in some cases. In certain instances, commission members tend to discuss candidates' performance before entailing individual assessments, which can clearly affect their objectivity. Furthermore, CV evaluation is not mandated by the law but only foreseen by sub-legal acts. The CV evaluation follows a standard template which lacks structure and fails to adhere established evaluation standards.

²³ Official Gazette of the Republic of Kosovo, Regulation (Grk) No. 15/2023 on Admission Procedure in the Civil Service, 30 October 2023, available at: <https://gzk.rks-gov.net/ActDetail.aspx?ActID=83571>

2.8. Refusal to allow monitoring of recruitment processes: an unprecedented situation

In its third year, CorrWatch has faced an unprecedented situation where two ministries have rejected requests for monitoring of six (6) high-level management positions, thus violating the guarantees provided by law, as well as the transparency and meritocracy principles. Such a situation is an indicator that these closed processes are subject to political and personal influences, thus undermining citizens' trust in public institutions. Most importantly, it should be noted that the legal framework emphasizes that civil society monitoring of recruitment processes is also guaranteed by the legislation in force.²⁴

There are two ministries that refused CorrWatch's monitoring, namely Ministry of Finance, Labor and Transfers (MFLT) and the Ministry of Industry, Entrepreneurship and Trade (MIET). More specifically, CorrWatch was refused to monitor the following high-level managerial positions: Executive Director of the Kosovo Business Registration Agency within MIET, Secretary General at MFLT (in the third round of opening the competition, the position of Director General of the Kosovo Tax Administration Executive Director at the Employment Agency of the Republic of Kosovo, Executive Director at the Central Procurement Agency and Chief Inspector of Labor.

Regarding this issue, CorrWatch has reacted publicly for the lack of transparency of these two ministries for these key recruitment processes.²⁵ Meanwhile, on February 18, 2024, CorrWatch through the Centre for Strategic Litigation filed a lawsuit with the Basic Court in Pristina against the Ministry of Finance, Labour and Transfers regarding the refusal to monitor the recruitment process for the Secretary General of this Ministry.²⁶

2.9. CorrWatch's interventions

In addition to the cases that were elaborated above as project interventions, there were also other instances when CorrWatch's interventions directly contributed to the legality of these processes and their outcome. by guaranteeing meritocracy and professionalism.

In the recruitment process for the director of the Health Insurance Fund, following interventions of CorrWatch, the criteria regarding professional work and managerial experience were regulated. Fund's Board had decided to require 5 years of professional work experience and 2 years of managerial experience. CorrWatch considered this criterion unacceptable and requested that the experience be required in accordance with the LPO (8 years of professional work experience and 5 managerial experience). Starting from the fact that the general formal requirements - which also include work experience - are set based on the level of duties and responsibilities that

²⁴ Official Gazette of the Republic of Kosova ,Law No.08/L-097 on Public Officials, Article 48, Paragraph 7, available at: <https://gzk.rks-gov.net/ActDetail.aspx?ActID=81430>

²⁵ CorrWatch, "PUBLIC REACTION - On the lack of transparency of the Ministry of Finance, Labor and Transfers and the Ministry of Industry, Entrepreneurship and Trade" 16 September 2024, available at: <https://corrwatch.org/2024/09/16/reagim-publik-per-mungesen-e-transparences-te-ministrise-se-financave-punes-dhe-transfereve-dhe-ministrise-se-industrise-ndermarresise-dhe-tregtise/>

²⁶ Centre for Strategic Litigation, "Denial of civil society's right to monitor recruitment processes for senior management positions" 18 February 2025, available at: <https://cslkosovo.org/2025/02/mohimi-i-te-drejtues-se-shoqerise-civile-per-monitorim-te-proceseve-rekrutuese-ne-pozita-te-kategorise-se-larte-drejtuese/>

a specific position has, therefore reducing and failing to fulfil them is a serious violation that makes the entire competition process illegal. Based on CorrWatch's recommendations, the institution in question addressed the recommendations in the reopened competition, restoring legality.²⁷

On the other hand, in the competition open back in June 2024 for Secretary General of the MFLT, following irregularities in the shortlist of candidates, CorrWatch's recommendations were taken into account, restoring the legality of the competition. In this case, MFLT had placed on the list one of the two candidates who was part of the shortlist despite not meeting the educational criteria. With the recommendation of CorrWatch, the respective candidate was removed, and the procedure was annulled due to absence of two candidates who met the criteria.²⁸ In another case, in the recruitment process for the director of the Kosovo Institute for Public Administration (KIPA), CorrWatch identified that one of the candidates, although qualifying for the position, was excluded from the shortlist. Following CorrWatch's recommendation, MIA, as the competent institution for the conduct of the procedure, revised the list in full accordance with CorrWatch's suggestion.

In public enterprises, specifically in the competition for the CEO of KEC opened in May 2024, CorrWatch has identified several problems that had to do with unclear criteria that could lead to confusion among candidates, but also with the illegality of the entire process. In this competition, KEC had requested experience in enterprises of the same complexity from the candidates, without having a standard for assessing the complexity and size of an enterprise. At the same time, English language was required without a provision on how language knowledge is to be assessed. As for education, they had not requested the validation of the diploma. Although this competition was cancelled for unknown reasons, in the recent competition opened in March 2025, KEC has addressed CorrWatch's findings and recommendations, ensuring greater clarity, and a process in accordance with legal criteria.²⁹

2.10. Recommendations

Following systematic monitoring and challenges elaborated in the previous sections, CorrWatch provides the following recommendations for relevant institutions:

- Continuous training programs for Human Resource Units (HRUs) and members of ad-hoc evaluation commission;
- Consider creating a bank of questions, which can minimize problems presented during the written test process;
- Plan recruitment processes in advance to prevent the phenomenon of acting officials but also potential disruptions, and ensure better resource utilization and efficiency;
- Enhance and boost the visibility of competitions through various channels to reach a higher number of potential candidates considering the low number of candidates and the failure of the procedures as a result to it;
- Increase and strengthen the capacities of the DMPO within the MIA, especially considering their new role with the centralized recruitment starting from March 2025;

²⁷ Competition for Director of Health Insurance Fund, HRMIS, available at: <https://konkursi.rks-gov.net/advertisement/details?refNumber=RN00013449>

²⁸ Competition for Secretary General of the Ministry of Finance, Labour and Transfers, HRMIS, available at: <https://konkursi.rks-gov.net/advertisement/details?refNumber=RN00014278>

²⁹ Competition for Chief Executive Officer of KEC, available at: <http://kek-energy.com/kek/thirrje-ftesa/>

- DMPO, in cooperation with the institutions implementing the HRMIS, should conduct a general analysis of the challenges encountered. Based on the results of this analysis, the system should be updated to provide more flexibility and to more effectively support the implementation of recruitment procedures;
- The documents proving citizenship be requested at the final stage of the procedure, together with other conditions/documents that are verified or requested at later stages of the procedure;
- POEs should standardize the content of recruitment announcements, application forms and evaluation process, promoting fair and meritocratic recruitment processes;
- IOBSCK to publish decisions to ensure transparency and accountability and maintain standards based on the law in order to avoid double standards during decision-making.

3. Public Procurement

As in previous years, public procurement is still vulnerable to potential corruption, characterized by irregularities from its early planning stage, which is the starting point of these processes. Data from the monitoring period shows that public procurement planning remains weak at most institutional levels. On the other hand, the legislative framework is yet to be improved, as the newest draftlaw on public procurement failed to be approved during this period, and is still part of the legislative agenda. The 2024 EC Country Report for Kosovo acknowledges limited progress in this area, with gaps in regulatory enforcement and compliance remaining significant. Moreover, the report states that the new law on public procurement should be adopted in harmonization with the EU acquis.³⁰

Taking into account several factors such as the large number of contracts, corruption vulnerability, cost-benefit, as well as the public interest, CorrWatch targets several institutions: 1. Ministry of Environment, Spatial Planning and Infrastructure, 2. Hospital and University Clinic of Kosovo, 3. Ministry of Internal Affairs, 4. Ministry of Education, Science, Technology and Innovation, and 5. Ministry of Culture, Youth and Sports.

During this period, CorrWatch monitored and analysed the following public procurement activities:

1. MCYS – “Construction work for the implementation of the detailed project [main contractor], architecture and engineering, for the conservation and restoration of the National Museum of Kosovo and the National Theatre of Kosovo, in Pristina”
2. MIET – Contract Management – “Construction of Infrastructure in the Industrial Park in Optrushë”
3. Hospital and University Clinic of Kosovo – Supply of drugs from LE for the needs of Hospital and University Clinic of Kosovo (00220-24-3862-1-1-1) – albumins
4. Hospital and University Clinic of Kosovo – Supply of Drugs from LE for SHSKUK (052) (00220-24-4095-1-1-1)
5. MESPI – Road Prizren-Border with North Macedonia
6. MESPI – Connection of Vitia to the Highway

³⁰ EC Country Report 2024, European Commission, 30 October 2024, Page 9, available at: https://enlargement.ec.europa.eu/document/download/c790738e-4cf6-4a43-a8a9-43c1b6f01e10_en?filename=Kosovo%20Report%202024.pdf

7. MESPI – Expansion of National Road N9 – Kijevë-Dollc segment, Lot 1,2,3,4
8. MESPI – Expansion of National Road N9, Pristina-Pec, segment Dollc – Zahaq, Lot 1, 2, 3
9. Hospital and University Clinic of Kosovo – Supply of applicators, accessories, and radiation detectors for the Flexitron HDR Brachytherapy device at the Oncology Clinic (00220-24-7111-1-1-1)
10. Hospital and University Clinic of Kosovo – Supply of Drugs from LE for SHSKUK -082 (4 lots) (00220-24-6975-1-1-1)
11. MCYS – Development of the master plan for the 'Adem Jashari' Memorial Complex, in Prekaz, in the Municipality of Skenderaj, Republic of Kosovo
12. MESTI – Construction of the Faculty of Medicine building in the University Campus of Gjakova, Phase I
13. MESTI – Purchase of textbooks for grades 1-9 for the year 2024/25
14. MCYS- "Construction work for the implementation of the detailed project [main contractor], architecture and engineering, for the conservation and restoration of the National Museum of Kosovo and the National Theatre of Kosovo, in Pristina"
15. MCYS- Development of the master plan for the 'Adem Jashari' Memorial Complex, in Prekaz, in the Municipality of Skenderaj, Republic of Kosovo
16. Ministry of Education, Science, Technology and Innovation: Construction of the Faculty of Medicine building in the University Campus of Gjakova, Phase I
17. MoD – "Supply of Food for the Needs of KSF"
18. MESPI- "Construction of Affordable and Social Housing Buildings for the Municipalities of Peja, Gjilan, Podujevë, and Istog"
19. Hospital and University Clinic of Kosovo- "Supply of consumables for electrostimulation."

3.1. Lack of public procurement planning: the unchanging constant

The procurement plans of public institutions remain ambitious, mostly generic, and in a number of cases not reflective of the needs, and in the service of a responsible public spending. From the data analysed for 2024, for all ministries (including the OPM), none of the ministries has fully completed their respective procurement plan. The best performing are the Ministry of Communities and Returns (75% of implementation), the Ministry of Defense (68%), the Prime Minister's Office (64.7%), the Ministry of Local Government Administration (63.2%) and the Ministry of Agriculture, Forestry and Rural Development (60.50%). Meanwhile, the Ministry of Economy, which has implemented only 8.8% of the public procurement plan, and the Ministry of Culture, Youth and Sports with 12.2%, have the lowest percentage of implementation.

Institution	Contracted activities (percentage)
Ministry of Culture, Youth and Sports	12,2 %
Ministry of Industry, Entrepreneurship and Trade	33,3 %
Ministry of Education, Science, Technology and Innovation	25,5 %
Ministry of Internal Affairs	40,6 %
Ministry of Foreign Affairs and Diaspora	14,3 %
Ministry of Justice	36,1 %
Ministry of Environment, Planning, Spatial and Infrastructure	42,3 %
Ministry of Communities and Returns	75,0 %
Ministry of Local Government Administration	63,2 %
Ministry of Economy	8,8 %
Office of the Prime Minister	64,7%
Ministry of Health	53.2% .
Ministry of Finance, Labour and Transfers	36.40%
Ministry of Defence	68.10%
Ministry of Agriculture, Forestry and Rural Development	60.50%
Ministry of Environment and Spatial Planning	65,5 %
Ministry of Infrastructure	19,6 % ³¹

On the other hand, data analysed by CorrWatch in the e-Procurement portal reveal that a significant number of procurement activities are contracted outside the procurement plan, clearly indicating the lack of proper public procurement planning. MYCS has the highest number of unplanned procurement activities, summing up to a total of 81 unplanned contracts, followed by MIET with 55 in total. Whereas MESTI and MESPI each contracted 54 procurement activities outside their procurement plans.

³¹ The percentage allocated separately to the environment and spatial planning and to infrastructure, given that this ministry after the merger still operates with separate procurement plans and each has its own procurement division.

Institution	Contracted activities (number)
Ministry of Culture, Youth and Sports	81
Ministry of Industry, Entrepreneurship and Trade	55
Ministry of Education, Science, Technology and Innovation	54
Ministry of Internal Affairs	40
Ministry of Foreign Affairs and Diaspora	30
Ministry of Justice	19
Ministry of Environment, Planning, Spatial Planning and Infrastructure	54
Ministry of Communities and Returns	13
Ministry of Local Government Administration	1
Ministry of Economy	16
Office of the Prime Minister	10
Ministry of Health	19
Ministry of Finance, Labor and Transfers	6
Ministry of Defense	11
Ministry of Agriculture, Forestry and Rural Development	10
Ministry of Environment and Spatial Planning	13
Ministry of Infrastructure	41 ³²

3.2. Deliberate negligence of the Ministry of Defense

In October 2024, it was reported that the Kosovo Security Force (KSF) was facing a food shortage for its personnel. In the same month, KSF Lieutenant General Bajram Jashari sent an official letter to the Ministry of Defense regarding this problem, requesting a prompt solution to the situation.³³ In the same month, an extraordinary session was held in the Kosovo Assembly on the problem of food supply.³⁴ However, the issue created confusion and the reasons for this situation were unclear and there were different reports.

³² The percentage allocated separately to the environment and spatial planning and to infrastructure, given that this ministry after the merger still operates with separate procurement plans and each has its own procurement division.

³³ Klan Kosova, "Ushqimi në FSK: Letra ekskluzive e Jasharit, Maqedonci e anulon kontratën e sekretarit", 14 October 2024, available at: <https://klankosova.tv/ushqimi-ne-fsk-letra-ekskluzive-e-jasharit-maqedonci-e-anulon-kontraten-e-sekretarit/>

³⁴ Telegrafi, "Kuvendi me seancë të jashtëzakonshme për FSK-së", October 2024, available at: <https://telegrafi.com/kuvendi-seance-te-jashtezakonshme-per-fsk-se/>

To gain a clearer understanding of the situation and identify the root causes of the problem, CorrWatch has conducted a thorough analysis of this process, examining all actions taken by the Ministry of Defense as the responsible institution and contracting authority for all KSF-related procurement activities.

In the procurement plan of the Ministry of Defense (MoD) for 2024, the Procurement Activity "Food Services" was foreseen, scheduled to start on February 23, 2024, with a value of 13,480,000.00 Euros. Since February 2024, when the activity "Food Services for the needs of the Kosovo Security Forces" was cancelled for the second time, MoD has not taken any action to initiate an open procedure. On April 3, 2024, MoD concluded a negotiated contract that expired on September 30, 2024. MoD, on September 19, 2024, published the notice for the award of a new contract in a negotiated procedure, citing extreme emergencies, with a contracted value of Euro 2,149,000.00.

That said, the MoD could only use negotiated procedures in accordance with Article 35 of the Law on Public Procurement (LPP) which provides that "The contracting authority may use negotiated procedures... for reasons of extreme urgency brought about by objectively verifiable events which could not have been reasonably foreseen by the relevant contracting authority."³⁵ This provision of the law precisely determines whether emergencies are attributable to negligent or intentional actions or omissions. According to CorrWatch, the emergency caused is attributable to the inactions and negligence of the MoD. Based on this, it is considered that the TheMoD, by conducting a negotiated procedure without publishing a contract notice, invoking extreme emergencies, has violated Article 35 of the LPP. In addition, CorrWatch has found that the MoD, during the negotiation of the last activity, has committed a number of other violations. The MoD has invited only three economic operators to negotiate, thus violating Article 7.1, which provides that "the CA shall not execute any aspect of the procurement activity in a manner that reduces or eliminates competition between economic operators or that discriminates to the detriment or advantage of one or more economic operators".³⁶ Eventhough the process was annulled, initially the contracts were awarded to economic operators that did not meet the requirements in the tender dossier. The economic operator's primary activity did not meet the requirements set by the Ministry.

³⁵ Official Gazette of the Republic of Kosova, Law No. 04/L-042 on Public Procurement, Article 35, paragraph 2, available at: <https://gzk.rks-gov.net/ActDetail.aspx?ActID=2772>

³⁶ Official Gazette of the Republic of Kosova, Law No. 04/L-042 on Public Procurement, Article 7, available at: <https://gzk.rks-gov.net/ActDetail.aspx?ActID=2772>

3.3. To further clarify this issue, CorrWatch has publicly addressed the matter, explaining the reasons behind the food shortage for the KSF and concluding that this situation resulted from the Ministry of Defense's negligence.³⁷ MESTI's continued mismanagement with textbook supply for pupils

In 2023 and 2024, MESTI decided to supply textbooks through subsidies. In 2023, this decision was justified by the Ministry's failure to negotiate with the companies involved in the procurement process, whereas in 2024, no elaborate explanation was provided. In 2024, For the second consecutive year, MESTI has committed a legal violation despite having a full year to ensure that the process for the supply of textbooks is in compliance with the law. CorrWatch has addressed this issue publicly by outlining the legal violations and the potential consequences that this process may entail.³⁸

More specifically, MESTI continued violating the current legal framework by transferring the responsibility to purchase textbooks from the ministry to parents. The current law on pre-university education states that "...textbooks are provided free of charge", as well as paragraph 1 stipulates that "...the ministry approves textbooks and other teaching aids and materials according to procurement rules".³⁹ In this case, MESTI failed to fulfill its obligation by shifting the responsibility to parents instead of addressing it through procurement as stated by the law.

In its procurement plan for 2024, MESTI had planned the procurement activity "Purchase of books from grades 1-9 for the year 2024/25" with a value of 9,486,885.00 Euro, however, it was not carried out. The activity was planned to start on June 28, 2024, but the ministry did not take any action to start the procurement procedures, completely neglecting it. Instead of fulfilling the legal obligation and its procurement plan, MESTI followed the same subsidy practice as the previous year, although proven to be more expensive in terms of budget. Furthermore, MESTI has stated that the amount determined to be allocated includes the calculation for teaching materials, which is in contradiction with the law that stipulates that only textbooks are provided free of charge.

In 2023, this method of subsidizing costed over 11 million Euros more than the planned value for the negotiated procedure with companies, which also led to the cancellation of the procedure. Meanwhile, in 2024, this amount has been exceeded and over 20 million Euros were.⁴⁰

³⁷ Koha.net, "CorrWatch: Neglizhenca e Ministrisë së Mbrojtjes shkaktoi problemin me ushqim në FSK", 17 October 2024, available at: <https://www.koha.net/en/arberi/corrwatch-neglizhenca-e-ministrise-se-mbrojtjes-shkaktoi-problemin-me-ushqim-ne-fsk>

³⁸ CorrWatch, "PUBLIC REACTION – On the Establishment of Illegal Practices and the Ministry of Education's Failure to Fulfill Its Legal Obligations in Supplying Textbooks", 14 August 2024, available at: <https://corrwatch.org/2024/08/14/reagim-publik-15/>

³⁹ Official Gazette of the Republic of Kosovo, Law No. 04/L-032 on Pre-University Education in the Republic of Kosovo, article 26, paragraphs 1 and 4, available at: <https://gzk.rks-gov.net/ActDocumentDetail.aspx?ActID=2770>

⁴⁰ The data on the amount was obtained through the request for access to public documents dated September 30, 2024. The response from MESTI was received on January 29, 2025.

These violations of the institution indicate a failure to fulfil obligations and inadequate planning in an ad-hoc manner that does not guarantee sustainability. Furthermore, the expenditure incurred, which surpasses all previous periods, indicates a poor management of public money.

3.4. Recommendations

In the field of public procurement, CorrWatch proposes the following recommendations:

- Relevant institutions should improve their planning by conducting a detailed analysis of the amount to be spent, reflecting the needs and at the same time making a precise timeline for the implementation of planned procurement activities;
- Institutions should implement a monitoring system to track the implementation of the procurement plans;
- Institutions should develop mechanisms to ensure efficient contract management;
- Develop precise and comprehensive technical specifications for all procurement activities;
- Engage with stakeholders to gather feedback and continually improve the procurement process.

4. Grant Provision And Subsidies

In Kosovo, transparency and accountability issues have led to a citizen mistrust on how grants and subsidies are handed out by public institutions. This lack of openness has created opportunities for corruption and poor handling of funds. Additionally, without proper monitoring and evaluation systems, it is difficult to evaluate their impact and whether they serve their primary purpose. This means that valuable resources might not be reaching the people who need them most, and it's important to address these problems for the benefit of everyone in the country. To address these issues, the CorrWatch methodology takes a comprehensive approach which focuses on several key areas including:

- Strategic planning and allocation of financial support.
- Oversight of Evaluation Committees and mechanisms for addressing complaints.
- Development of clear criteria for the application process.
- Ensuring transparency and clarity in the publication of calls for applications, evaluation procedures, and announcement of results.
- Ensuring the integrity of contracts with beneficiaries.

Since the beginning of the project and during this reporting period, CorrWatch has focused on monitoring two key institutions that include MAFRD and MYCS. The rationale to this selection is based on their pivotal roles in managing substantial funds in vital sectors such as agriculture and culture. It is worth noting, that in MCYS, CorrWatch has only monitored one call, because for more than 1 year this institution has not responded to the project's requests for monitoring, consequently not allowing it.

Ministry of Agriculture, Rural Development and Forestry

Rural Development Program 2023 - Call for Grants

The call for the 2023 Rural Development Program⁴¹ was monitored retroactively, as direct monitoring was not allowed despite multiple requests for active monitoring throughout the process.

One major issue was the significant delay in launching the grant calls, which was opened nearly a year later than expected. Additionally, unlike previous years, monitors observed a concerning departure from previous practices, as no public call was issued to allow civil society organizations to participate in active monitoring of the call for opening the grants. In the meantime, following the conclusion of the public call, CorrWatch advocated for the publication of the complete list of grant beneficiaries for 2023. However, this list was only made available at the end of 2024, raising concerns about the lack of transparency and accountability which can lead to suspicions for misuse.

CorrWatch findings show that of the 446 beneficiaries, 48 do not appear on the official website of Kosovo Business Registration Agency, which raises doubts about the proper verification of the applicants. Moreover, 14 beneficiaries have registered activities unrelated to agriculture and there were 123 beneficiaries who registered their businesses in the same year they applied for grants. It was also identified that 4 beneficiaries have been identified as inactive businesses, meaning they have not conducted economic activities therefore raising doubts about whether they have implemented the project.

Rural Development Program 2024 - Call for Grants

As with previous calls, the Rural Development Program of 2024⁴² was also opened with a significant delay. The 2024 grant call was announced late in December, 2024. CorrWatch has publicly reacted to this issue, urging the timely opening of the call and requesting that the Ministry review the eligibility criteria.⁴³ CorrWatch has considered that the eligibility criteria should ensure that grant beneficiaries have the necessary capacity and sustainability to carry out their investments. In addition, supporting businesses with no clear history of functionality or those at risk of shutting down after receiving grants is an unacceptable approach and contrary to the goals and objectives.

The call had some positive changes on the legislative framework. It is important to note that the call is active, so CorrWatch has only analysed its content, identifying positive aspects and those that are missing.

One key improvement is the requirement for livestock registration and tagging, which makes field monitoring easier and helps prevent potential

⁴¹ Rural Development Program 2023, 30 October 2023, available at: https://azhb-rks.net/repository/docs/2023_10_30_084249_Programi_per_Zhvillim_Rural_2023.pdf

⁴² Rural Development Program 2024, 12 December 2024, available at: https://www.mbpzhr-ks.net/repository/docs/16.12.2024_Shqip_Final_Final_Update_PZHR_2024.pdf

⁴³ Koha.net, "CorrWatch kërkon nga Ministria e Bujqësisë që t'i hapë me kohë thirrjet për grante e t'i rishikojë kriteret", 26 December 2024, available at: <https://www.koha.net/arberi/corrwatch-kerkon-nga-ministria-e-bujqesise-qe-ti-hape-me-kohe-thirrjet-per-grante-e-ti-rishikojë-kriteret>

misuse of grants and subsidies. This step also improves transparency by ensuring that funds go to eligible recipients and reducing the risk of fraud during inspections. CorrWatch has publicly praised this act. Also, different from the call for grants in 2023, the added sections reflect key improvements that were incorporated following CorrWatch's advocacy and recommendations directly to the Ministry of Agriculture, Forestry and Rural Development in Kosovo. These changes show stronger financial support measures for agricultural businesses, ensuring broader accessibility to funding opportunities. A significant addition is the obligation for applicants to engage students or recent graduates in agricultural projects, aligning with our push for enhanced youth involvement and capacity building in the sector. Furthermore, these sections introduce greater clarity on funding allocations, specifying public financial aid percentages and refining the eligibility criteria to create a more inclusive and transparent funding process.

On the other hand, the sections removed from the grant call mainly focus on important eligibility criteria for applicants, such as land ownership, valid contracts, and necessary documentation. These sections outlined the conditions required for investments in agricultural equipment like tractors, farming tools, and greenhouses, specifying the minimum land requirements and proof of agricultural activity. These criteria were essential in ensuring that only legitimate applicants received financial support. By removing them, the process now lacks the necessary safeguards to prevent misuse of funds, making it difficult to ensure that grants are distributed fairly to the right recipients. Without clear guidelines and checks, there is a higher chance of favouritism, fraud, or funds being given to those who do not meet the program's goals. This absence of clarity significantly reduces the transparency of the entire process.

Ministry of Culture, Youth and Sports

Public Invitation for the Functionalization of Cultural Heritage Monuments

In August 2024, MCYS launched a call titled "Public Invitation for the Functionalization of Cultural Heritage Monuments."⁴⁴ The aim of this call was to engage Non-Governmental Organizations (NGOs) through public funds to take care of three aspects: first, the Implementation of the Management Plan for the Prizren Fortress; second, the Implementation of the Management Plan for the Ulpiana Archaeological Park – Iustiniana Secunda; and third, the Functionalization of cultural heritage monuments, specifically: a. The Ideal Prison - Pristina; b. The Hydropower Plant - Museum of Electro-economy - Prizren; c. The Minister's Tower - Peja; d. The Art Gallery - Agim Çavdarbasha - Çagllavicë, Pristina. The allocated amount for this call was 1.1 million euros for all categories.

The call was divided into two phases, as with all calls: the administrative evaluation phase and the substantive evaluation phase. CorrWatch's monitoring found that during the administrative evaluation, the committee was not fully constituted, and during the process, it had reached a consensus to disqualify one of the applicant organizations from proceeding to the

⁴⁴ Public Invitation for the Functionalization of Cultural Heritage Monuments, 7 August 2024, available at: https://www.mkrs-ks.org/repository/docs/Ftese_Publike_Funksionalizimi_i_Monumenteve.pdf

substantive evaluation phase, citing the reason that the organization had not submitted its complaint on time.

CorrWatch found that the decision to not shortlist one organization was unfounded after analysing the case. Additionally, the consortium requested that evaluations should not be conducted without the presence of all committee members, as required by Regulation 04/2017 on the criteria, standards, and procedures for public funding of NGOs.⁴⁵ Meetings were also held with the MCYS, and CorrWatch's recommendations were taken into account. As a result, the MCYS established a fully compliant complaint commission, adhering to legal requirements and ensuring that complaints from all NGOs, including one were handled. However, from 15 applications, only nine NGOs could make it to the substantive evaluation phase. And after substantive evaluation, only two NGOs were supported financially to conduct a part of the call's purpose.

Recommendations:

For the Ministry of Agriculture, Forestry and Rural Development

- Revise eligibility criteria for subsidies and grants to be more inclusive, ensuring they benefit a wider range of farmers and encourage local market development;
- Establish clear timelines for the preparation and execution of grant programs, aligning with agricultural seasons to allow for timely approval and implementation;
- Digitize application procedures to streamline processes, reduce delays, and enhance transparency, making it easier for farmers to apply for grants;
- Implement regular post-implementation inspections and market assessments to ensure accountability, evaluate effectiveness, and improve the outcomes of grant schemes.
- Enforce sanctions for fraudulent activities to protect the integrity of the grant distribution process and maintain transparency, ensuring funds go to legitimate recipients.
- Enhance coordination between central and local authorities to prevent double-beneficiaries, ensure equitable distribution, and avoid resource concentration.
- Expand livestock registration and tagging systems to improve field monitoring, prevent misuse of grants, and ensure that subsidies reach eligible beneficiaries.
- Promote public awareness and transparency by making grant beneficiary data publicly accessible and involving civil society organizations in regular monitoring, fostering accountability and trust in the process.

For the Ministry of Culture, Youth and Sports

- Digitalization of all processes for open calls;
- Establishment of the National Strategies for Sports and Culture, so that each public fund spend through open calls has a clear goal;
- Establishment of Databases for beneficiaries based on gender;
- Adoption of the Estonian model to finance Art and Culture where all taxes levied on cigarettes and alcohol serve as a funding channel for these sectors;
- Interconnection between art and diplomacy as in the model of Netherlands;
- Strengthen project monitoring mechanisms to ensure effective implementation

⁴⁵ Official Gazette of the Republic of Kosovo, Regulation No – 04/2017 on Criteria, Standards and Procedures on Public Funding of NGOs, available at: <https://gzk.rks-gov.net/ActDocumentDetail.aspx?ActID=14831>

5. Provision Of Licenses, Permits And Tariffs

CorrWatch was denied active participation in monitoring the permit issuance process at Independent Commission for Mines and Minerals (ICMM) and the Ministry of Environment, Spatial Planning and Infrastructure (MESPI). In regards to MESPI, this obstruction extended even to the review process for Environmental Impact Assessment (EIA) requests, despite Article 5 of the Law on Environmental Impact Assessment⁴⁶ explicitly allowing civil society representatives to participate as observers.

Discrepancies in the issued permits

Although public debates have increased threefold compared to previous years—primarily due to CorrWatch’s efforts—the data shows that many documents are still not being made public. This ongoing lack of transparency, coupled with resistance to effective civil society oversight, creates conditions that can foster the misuse of public funds and potential corruption. Without decisive reforms to improve disclosure and monitoring, accountability will remain weak, undermining public trust even more.

Tabela 1. Number of permit request, decisions, EIAs and debates published for the period 2021-2023

Year	Permit requests by registry	No. of EIAs published on MESPI’s website	No. of debates published on the MESPI’s website
2024	199	111	70
2023	120	27	30
2022	146	0	5
2021	148	0	0
Total	613	138	105

Failure to Open Competition for Licensing Legal Entities to Prepare EIA Reports

Although the list of licensed individuals for EIA compilers has been made public, it has remained unchanged since its initial publication. Adding to that, the MESPI continuously fails to announce a call for licensing legal entities for the preparation of EIA reports. According to Law No. 08/L-181 on Environmental Impact Assessment, Article 12, Paragraph 2, the Ministry is

⁴⁶ Official Gazette of the Republic of Kosovo, Law No. 08/L-181 on Environmental Impact Assessment, Article 5, available at: <https://qzk.rks-qov.net/ActDetail.aspx?ActID=68708>

required to establish procedures and criteria for licensing natural and legal persons through a sub-legal act.⁴⁷

Furthermore, Administrative Instruction MESPI No. 10/2017 on Licensing EIA Report Compilers⁴⁸ specifies that the Ministry must open a licensing call annually. However, nearly four years have passed without having a new call. This delay, combined with MESPI's lack of response, raises concerns about the integrity of the licensing process, particularly given that an EIA report is a crucial document for assessing and mitigating environmental risks of development projects.

CorrWatch considers this delay as a serious issue, clearly reflecting lack of transparency and accountability. The prolonged absence of a licensing call has effectively created a monopoly, benefiting a select group of individuals who may be exploiting the situation for personal gain.

Data from CorrWatch's monitoring of public debates for permit issuance:

- From March 2024 to February 2025 (04.02), a total of 70 public debates were directly monitored;
- In three of these debates, the provided link was not valid;
- One debate was not held;
- In 66 public debates, only one representative from MESPI was present;
- Only 5 of these debates had additional participants, including citizens;
- 33 of these debates were announced by the respective municipalities;
- 32 debates were not announced by the municipality;
- In one case, the municipality's website was not accessible;
- The average duration of public debates ranged between 10 to 17 minutes.

On the other hand, of the 111 published EIA reports, 20% were prepared by just one person out of 31 licensed professionals. Relying on a single individual to prepare EIA reports raises serious concerns about the fairness and reliability of the assessments. This concentrated responsibility increases the risk of biased evaluations, errors, and even intentional manipulation, as there are no diverse perspectives or independent oversight. Without a collaborative review process, the likelihood of gaps, oversights, or misrepresentations grows, opening the door for fraudulent activities. This lack of accountability can undermine the accuracy of the reports and fuel corruption, ultimately damaging public trust in the entire process.

A positive change noted was that in July 2024, through CorrWatch's continued advocacy, MESPI decided that, in addition to the ministry, a copy of the EIA report must also be submitted to the relevant municipality. Ensuring the security and availability of the EIA report for citizens in the areas where the project is planned contributes to increasing inclusivity, accountability from the involved parties, and institutional transparency.

⁴⁷ Official Gazette of the Republic of Kosovo, Law No. 08/L-181 on Environmental Impact Assessment, Article 12, Paragraph 2, available at: <https://gzk.rks-gov.net/ActDetail.aspx?ActID=68708>

⁴⁸ Official Gazette of the Republic of Kosovo, Administrative Instruction MESPI No. 10/2017 on Licensing EIA Report Compilers, available at: <https://gzk.rks-gov.net/ActDetail.aspx?ActID=15180>

Tariffs from the Energy Regulatory Office (ERO):

- In the 2024, CorrWatch monitored the following processes:
- Consultative Report on the Maximum Allowable Income for 2024;
- Consultative Report on the Maximum Allowed Revenue (HLM) of the Distribution System Operator (DSO) for the year 2024;
- Application for Maximum Permitted Revenues for Universal Service Provider (FSHU)-2024;
- Application for the Maximum Allowed Revenues for the Distribution System Operator (DSO)-2024;

During this period, significant progress has been made in increasing transparency in the process of determining electricity tariffs in Kosovo. All regulations and supporting documents related to tariffs have been made accessible to the public. This has created a greater scope for informing consumers. In addition, over the last few years there has been a significant increase in public consultations with interested parties before changes in energy tariffs. This process has enabled a more open and inclusive discussion for all groups involved. And lastly, the data on operating costs, revenues and investments of energy companies have been clear and detailed to the public. These improvements have had the effect of strengthening the confidence of consumers and stakeholders in this important process.

Recommendations

- Institutions like MESPI and ICMM should allow active monitoring by civil society organizations and enhance transparency through proactive publishing of data and documents;
- Deepen cooperation and coordination between key institutions for obtaining permits such as ERO, MESPI, ME, and municipal officials which will contribute to a more transparent and responsible process in policy planning and implementation;
- Establish a One-Stop-Shop to facilitate the permitting and licencing process to enable a single source for information, guidance, and comprehensive services thereby to reduce the administrative burden on businesses and institutions;
- Improve the accessibility and inclusiveness of public debates regarding permits by ensuring that all debates are properly announced, accessible, and include a broad range of participants by promoting them to various channels;
- The Energy Regulatory Office (ERO) should adopt a comprehensive evaluation process for investment proposals from the Distribution System Operator, to integrate detailed data and request assessments with insights from on-site inspections and internal audits.
- Establish explicit guidelines detailing the time frames and data sources—especially from the European Energy Exchange—used in forecasting energy import costs.
- Ensure that all feedback and observations from public consultations are fully incorporated into the final Maximum Allowed Revenues (MAR) reports.
- Beyond technical clarifications, the ERO should proactively engage a wider array of stakeholders and citizens in the consultation process. Developing a dedicated, user-friendly consultation document would facilitate easier public contributions and comments, thereby enhancing overall transparency and accountability.

6. Performance of the Public Owned Enterprises

CorrWatch continued its monitoring efforts in terms of management and transparency of targeted POEs, observing a certain number of positive developments, both in their financial and operational aspects. CorrWatch has consistently emphasized the need to address the excessive workforce burden within POEs and advocated for workplace systematization and restructuring. As a result, some POEs have taken concrete steps in this direction. For instance, aside from Regional Water Company (RWC) “Prishtina” which undertook concrete measures in this direction, the railway company Infrakos and Irrigation Company “Iber-Lepenci” have also implemented certain measures to improve efficiency through systematization and reorganization process.

However, a persistent challenge is the frequent turnover of acting directors, Chief Executive Officers, and board members within POEs. For example, the KEC and Trepça SH.A are currently operating with an acting CEO, and its Trepça’s Board has undergone two composition changes in the past year.

Contrary to last year’s transparency status—where CorrWatch’s monitoring revealed significant issues, including limited public and civil society access to POEs and inconsistent publication of reports and business plans by the Policy and Monitoring Unit of Public Enterprises—there have been noticeable improvements this year. Strategic documents such as annual reports, business plans, and consumer satisfaction reports are now being published in compliance with legal requirements for most POEs.

Monitoring activities in the targeted POEs

Number of Board of Director’s meetings monitored

Institution	Number of Board of Director’s meetings monitored			
	Q1 (Apr-Jun) 2024	Q2 (Jul-Sep) 2024	Q3 (Oct-Dec) 2024	Q4 (Jan-Mar) 2025
RWC Prishtina	3	1	3	0
KEK	0	0	0	0
Termokos	0	0	0	0
Infrakos	0	1	3	1
Iber Lepenci	2	1	2	0
Health Insurance Fund	1	1	1	0
Total	6	4	9	1

During these meetings, CorrWatch obtained critical information from POEs, which served as the basis for recommendations in regards to their operations and overall performance. CorrWatch's advocacy for workplace systematization—specifically, reducing excessive employment that strains the financial and operational capacity of POEs—has led to several successes. For instance, in 2024, at Infracos, 12 employees voluntarily accepted an exit package, receiving one year's salary in exchange for leaving their positions. With improved management practices, the company increased its rental income by 29% compared to the previous year. However, strategic investments remain a significant challenge for nearly all POEs, as they often rely on direct loans from either the government or international organizations. A similar voluntary exit package was implemented at Iber-Lepenci, where the same number of employees left their positions. Additionally, complex investment processes have delayed the company's water channel extension project, which depends on funding from both the Government and the World Bank.

As noted in the table above, CorrWatch faced difficulties in monitoring two POEs – namely KEC and Termokos. In KEC's case, frequent changes in the Board of Directors disrupted communication and willingness to cooperate. Meanwhile, for Termokos, CorrWatch unilaterally terminated the MoU due to a lack of communication and repeated failures to invite CorrWatch to monitor Board meetings, despite persistent requests.

Regarding other widespread challenges faced by all RCW companies in Kosovo—particularly client registration for billing purposes—RCW Prishtina has taken concrete steps to improve billing efficiency. The company has begun mapping consumers using Google My Maps, digitizing all scanned maps and photos to enhance data accessibility and provide a real-time geospatial overview. This system includes information on existing consumers, service areas, water sources, billing agents, monitoring zones, network status, billing records, water meters, and meter reading indicators. Additionally, the application aids in identifying new consumers and newly constructed buildings.

Publication of Board Decisions and Transparency Measures

A positive example regarding the accessibility of board decisions is the Kosovo Post, which has provided CorrWatch with access to all board meeting records from 2021. The availability of board minutes and decisions is essential for assessing the effectiveness and quality of governance within POEs. These documents provide insights into board discussions, decision-making processes, and individual contributions of board members. At Telekom, efforts to retrieve board decisions have resulted in the acquisition of approximately 45 board decisions from the past two years. Engagements with responsible officials are ongoing to streamline document access procedures. However, existing legislation restricting the disclosure of business secrets has complicated the process. To address this, CorrWatch has advised Telekom to establish a classification system distinguishing between classified and non-classified board decisions. This measure is expected to enhance transparency, efficiency, and responsiveness to public document requests.

Simultaneously, CorrWatch has advocated for more transparency in making these documents publicly available. Initially, the POE monitoring Unit has made the decisions of the boards of POEs public for the following: 1) Trepça, 2) KEK, 3) KMKD, 4) RWC Gjakova, 5) RWC Mitrovica, 6) RWC Prishtina, 7) RWC Radoniqi-Dukagjini, 8) Iber Lepenc, 9) Trainkos, and 10) Infrakos.. The publication of board decisions, has been delayed for two POEs (Kosovo Post and Telekom), due to internal issues, such as privacy policies, however, however, the process is ongoing. On the other hand, the following POEs did not grant access to the board decisions are: 1) RWC Hidrodrini; 2) RWC Bifurkacioni; 3) RWC Hidromorava; 4) RWC Drini i bardhë and 5) RWC Hidroregjioni jugor.

Debt Management and Collection

Through an analysis of multiple board decisions, CorrWatch has identified significant challenges faced by POEs in recovering outstanding debts from customers. For example, discussions with RWC Prishtina led to the fact that approximately 40% of their customers are unidentifiable due to outdated customer records. This lack of accurate data presents a major obstacle to effective debt collection. In response, CorrWatch has initiated coordination between RWC Prishtina and the Information Society Agency (ISA), which manages the e-Kosova platform, to facilitate database updates.

CorrWatch facilitated bilateral meetings between CFOs and representatives from the ISA, in order to explore digital solutions for debt collection for other companies as well. A survey was conducted, followed by an advocacy forum where ASI officials presented the potential of integrating POE services into the e-Kosova platform. As a result of these discussions, RWMC Ambienti successfully renewed its request to join e-Kosova, while RWC Bifurkacioni initiated discussions to integrate its services into the platform.

On the other hand, regarding debt collection, there is a confusing situation regarding waste payments in the Municipality of Pristina. In February 2025, The Mayor of Pristina declared a state of emergency regarding waste management.⁴⁹ Furthermore, the amendment to Regulation No. 01-030/01-227581/23 has caused significant confusion, as it stipulated that only one company, specifically the Regional Waste Cleaning Company (KRM Pastrimi), would have the exclusive right to bill and collect payments for this sector starting January 1, 2025.

On February 5, 2025, the Municipality of Pristina announced the suspension of the new regulation,⁵⁰ emphasizing that it would continue billing and collecting payments for waste management. However, KRM Pastrimi opposed this decision, considering it legally unfounded. As a result, it remains unclear which institution will be responsible for billing and collecting payments.

CorrWatch has publicly reacted to this situation and called on the Municipality of Pristina and KRM Pastrimi to urgently clarify this situation and avoid further confusion for citizens.⁵¹

⁴⁹ Radio Evropa e Lirë, "Pristina shpall gjendje të jashtëzakonshme nga mbeturinat", 3 February 2025, available at: <https://www.evropaelire.org/a/prishtina-gjendje-jashtezakonshme-nga-mbeturinat/33301278.html>

⁵⁰ Koha.net, "Pristina pezullon rregulloren për mbeturinat: Pagesat për "Pastrimin" sërish përmes Komunës", 5 February 2025, available: <https://www.koha.net/arberi/pagesat-per-pastrimin-serish-permes-komunes>

⁵¹ CorrWatch, "PUBLIC REACTION - To solve the problem of waste collection and the method of billing and collecting payments for customers of the Municipality of Pristina" 20 February 2025, available at: <https://corrwatch.org/2025/02/20/reagim-publik-20/>

Gender Inclusion in POEs

The current Law on POEs only regulates the gender aspects – so equal representation of both genders at Board of Directors. However, it does not regulate any other sector within the POEs. The law has shown to have achieved a considerable degree of equality at Board of Directors in almost all POEs – in cases even higher representation by women. However, in other sectors such as administration and management there are some improvements but the gap is still quite high.

CorrWatch launched a detailed gender questionnaire targeting POEs and the POE Unit, resulting in a statistical report revealing that only 11% of employees in POEs are women.⁵²

Recommendations

- Draft and approve internal policies and regulation for handling public request for documents which might be categorized as "classified";
- Address the phenomenon of acting CEOs, and board members by initiating recruitment processes in a timely manner;
- Create a unique reporting format for all POEs so differences in performance can be easier analysed;
- Ensure that all board decisions, business plans, and financial reports are published regularly and accessible to the public;
- Introduce and implement policies that promote gender balance ensuring equal representation among all levels including board, management and administration;
- Initiate workplace systematization in POEs that did not take upon this reform;

⁵² CorrWatch, Employment and representation of women in central public enterprises in Kosovo, December 2024, available at: <https://corrwatch.org/2024/12/24/punesimi-dhe-perfaqesimi-i-grave-ne-ndermarrjet-publike-qendrore-ne-kosove/>

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