



# PAR PRINCIPLES MAINSTREAMING IN SECTORAL POLICIES Report for Kosovo

PAR Area:  
Public Finance Management - Budget

Policy Sector:  
Energy

Institution:  
Ministry of Economy



Prishtinë, June 2022



BALKAN CIVIL SOCIETY  
DEVELOPMENT NETWORK



institut alternativa



Institute for Democracy and Mediation  
Institut për Demokraci dhe Ndërmjetësim



# PAR Principles Mainstreaming in Sectoral Policies - Report for Kosovo

**PAR AREA:**

Public Finance Management - Budget

**POLICY SECTOR:**

Energy

**INSTITUTION:**

Ministry of Economy



**Disclaimer:**

This document has been produced with the financial support of the European Union and the SIDA through the Balkan Civil Society Development Network. The responsibility for the content and information in this publication rests solely with the author, the publisher and the Think for Europe Network. Opinions expressed in this publication do not necessarily represent those of the European Union, SIDA or the Balkan Civil Society Development Network.

For more information, please visit:

[www.par-monitor.org](http://www.par-monitor.org)

# Table of Contents

Report summary.....	4
I. Introduction.....	5
I.1. What does WeBER monitor and how?.....	5
I.2. In this report.....	5
II. Analysis.....	6
<b>REQUIREMENT 1:</b> Sector-specific information on budget spending is available.....	6
<b>REQUIREMENT 2:</b> Sector-specific information on budget spending is sufficiently detailed.....	7
<b>REQUIREMENT 3:</b> Responsible sector institution reports on the implementation of capital (investment) projects.....	7
<b>REQUIREMENT 4:</b> Sectoral budget contains performance targets as a precondition for performance-based budget reporting.....	9
<b>REQUIREMENT 5:</b> Sectoral programme budget reports contain adequate performance information.....	10
<b>REQUIREMENT 6:</b> Sectoral programme budget reports are publicly available online.....	11
III. Recommendations for improvements.....	12
Appendices.....	13
Free access to information requests.....	13
Other sources.....	14

## Report summary

A well-functioning public financial management system is a prerequisite for building trust in the government. Kosovo's overall trajectory in this regard shows improvement, according to the European Commission Report. However, with the COVID-19 pandemic and the energy crisis, public financial management reforms have slowed down. This is visible from the previous Sigma Monitoring Report of PFM in Kosovo 2021.<sup>1</sup>

In this report, the budget of the Ministry of Economy, with a focus on the energy sector is evaluated. The methodology used consists of reviews of the publicly available documents that contain sector-specific budgetary information, interviews conducted with the relevant departments in the Ministry of Economy, and an analysis of the financial reports of the Ministry received through an FOI request.

It is a practice in Kosovo that the budget is only published by the Ministry of Finance as part of the overall central-level budget and not the relevant Budgetary Organisation (BO). Besides general information, regarding the macro-economic indicators of the general economic situation in Kosovo, such as GDP growth, exports & imports, foreign direct investments, public debt, remittances, there was a lack of financial data online on the website of the Ministry of Economy, and they had to be procured by special request via FOI request or a meeting with officials of the Ministry. There are no audit reports available on the Ministry's website. There are, however, Audit Reports found in the National Auditing Office website for the Ministry of Economy and the most recent one is that of 2021<sup>2</sup>.

The Strategy for Public Financial Management 2016-2020 has expired. Thus, reporting practices on the budget are characterized by a general lack of alignment between strategic objectives and programs or capital expenditures, in particular. Currently, there is only a small number of capital projects in the energy sector financed by the Ministry of Economy and they are all related to energy efficiency measures.<sup>3</sup> This small number of capital projects is because the capital investments are mostly done by the private sector. Information on the implementation of these capital projects is also limited. The Department on Budget of the Ministry of Economy only gave an oral explanation as to why certain projects have not been implemented, but no such information is documented. In the quarterly reports of the Ministry of Finance, only the implementation rate of each project is published.<sup>4</sup>

Whether sector-specific budgetary information is reported against performance indicators such as outcomes was quite challenging to assess. This is because the information is quite scattered and inconsistent throughout various relevant documents. The MTEF specifies a number of objectives and indicators regarding the Ministry of Economy, and very few of them are related to the energy sector. There was a complete lack of information published online with regards to performance indicators, and the relevant public officials interviewed seemed unfamiliar with the performance budgeting process. Thus, a list of recommendations is provided at the end of this assessment, pertaining to each requirement.

---

1 Monitoring Report - The Principles of Public Administration Kosovo\*. OECD 2021, <https://www.sigmaweb.org/publications/Monitoring-Report-2021-Kosovo.pdf>.

2 Audit Report for the Annual Financial Statements of the Ministry of Economy for the Year 2021, [https://zka-rks.org/wp-content/uploads/2022/05/RaportiAuditimit\\_ME\\_2021\\_Shqip.pdf](https://zka-rks.org/wp-content/uploads/2022/05/RaportiAuditimit_ME_2021_Shqip.pdf)

3 Director of Budget Department. Personal Interview. Ministry of Economy, April 2022, Prishtinë.

4 Nine-Month Financial Report: Budget of the Republic of Kosovo, p.48, 2021, <https://mf.rks-gov.net/desk/inc/media/B3E3E909-5AED-4E61-AE62-9C0E000EC87B.pdf>

# I. Introduction

## — 1.1. What does WeBER monitor and how?

The monitoring of budget management practices, within the Public Finance Management (PFM) area, is performed against SIGMA Principle 5.

**PRINCIPLE 5:** Transparent budget reporting and scrutiny are ensured.

PFM checklist on budget management consists of 6 requirements that pertain to different aspects of transparency of budget implementation and reporting. Requirements focus on data transparency on sectoral spending (in-year, or annual reporting), and its comprehensiveness in terms of budgetary classifications used, on availability of reporting on capital (investment) projects, and on programme budget implementation. When it comes to programme budgeting practices, it is also monitored whether assessed institutions adequately define targets, as a prerequisite for meaningful and performance-oriented reporting.

For data collection, approach to this checklist relies on review of websites of assessed institutions, and of the ministry responsible for finance, but also on filing of requests for free access to information for all documents that are not available online. Depending on individual requirements, the time frame of analysis covers budget transparency and reporting practices for the ongoing year at the time of assessment, or previous two calendar years.

## — 1.2. In this report

This report provides an analysis on the budget management of the Ministry of Economy, the energy sector in particular. It is structured based on the six requirements of the checklist. First, an analysis on the existence and the level of detail of sector-specific budget spending information on the website of the Ministry of Economy or the Ministry of Finance is conducted. Then, an assessment is done on whether the budget for the energy sector is published separately or is integrated within the total budget of the institution. Second, an assessment of the frequency of publishing the budget information on the energy sector takes place along with the level of detail of spending information in the energy sector. Third, the report determines the list of capital projects for the energy sector in the Ministry of Economy and that number is confirmed by interviewing two public officials working at the above-mentioned institution. An assessment on the existence of information on the implementation status and whether an elaboration of implementation challenges exists takes place. Fourth, the report provides an analysis of whether each energy-related program consists of defined objectives and performance indicators. Then, we evaluate whether the budget performance is reported against outcomes, outputs, or inputs. Sixth, this report looks at whether performance-based budgeting is published online regarding the Ministry of Economy (the energy sector). Lastly, the conclusions regarding the above-mentioned requirements are presented in the table and a list of recommendations is provided.

## II. Analysis

### REQUIREMENT 1: Sector-specific information on budget spending is available

The institution that is being assessed, the Ministry of Economy, does not publish sector-specific budget information on its website. It only publishes relevant laws, regulations, feasibility studies of projects, the annual energy balance, and other documents related to the energy sector. This seems to be a practice by most of the ministries in Kosovo in other sectors as well. Information on budgetary spending is published by the Ministry of Finance. The Ministry of Finance publishes the Law on Budget for each calendar year, which includes as a separate budget heading, information on the budget for the Ministry of Economy<sup>5</sup>. In 2021, the institution was called the Ministry of Economy and Environment and that is reflected in the Law of the Budget as well. This is because these two now separate institutions were merged in 2021.

The budgetary information for the energy sector is not separately published, but it is integrated into the overall budget of the institution as a separate budget heading. The same is also done in the year-end reports of the Ministry of Finance, where the sector-specific budgetary information is found under the heading "Ministry of Economy" from the overall budget of Kosovo. It should be noted that these reports contain a summary of the main trends of budget revenues and expenditures.<sup>6</sup> The laws on budget contain information on budget appropriations.

The publishing of the budget is regulated by the Law NO. 03/L-048 on Public Financial Management and Accountability. Article 42 on the Publication of the Appropriations Law and the Budget states:

Within thirty (30) days following approval by the Assembly and promulgation of the Kosovo Consolidated Budget and the annual Appropriations Law, the Minister shall prepare and publish in the Official Gazette of Kosovo and on the Ministry's web-site such budget as well as explanatory documents thereon in a comprehensive and publicly understandable form in the languages required for official documents of the Government.

The Law on Budget is almost always published once a year or in force majeure cases twice a year as the revision of the budget happens. This was the case due to the pandemic, and now due to the economic crisis following the pandemic. This year the budget is expected to be revised again, in the second half of the year, and freely accessible to all interested parties.

With regards to expenditures, for 2021 and 2020 (the last two calendar years) information is published in a timely manner. The financial reports of the Ministry of Finance for all Budget Organisations (BOs) are published quarterly. The annual financial report for 2021 was published in April 2022, the three-monthly report was published in May 2021, the six-monthly report was published in July, and the nine-monthly report was published in October 2021. For 2020, the yearly report was published in November 2021, the three-monthly report in May, the six-monthly report in July, and the nine-monthly report in November 2020.

The Law NO. 03/L-048 on Public Financial Management and Accountability also regulates the frequency of publishing the budget reports, that is on a quarterly basis (Article 45).

5 Law No.07L-041 On Budget Appropriations for The Budget of The Republic of Kosovo for 2021, <https://mf.rks-gov.net/desk/inc/media/1F14DA73-6925-49B6-883E-014550C6E3C8.pdf>.

6 Annual Financial Report- Budget of the Republic of Kosovo, p.57. 2021, <https://mf.rks-gov.net/desk/inc/media/936A839C-AB04-465C-9972-40FCB299208B.pdf>.

The Minister shall prepare, and the Government shall review quarterly reports covering the fiscal year through the end of the quarter just ended. Such reports shall be submitted to the Assembly within thirty (30) days from the end of each quarter and then published by the Minister.

Since spending information exists online for both calendar years and includes both in-year and annual data, it is concluded that the requirement is fully met.

#### **REQUIREMENT 2: Sector-specific information on budget spending is sufficiently detailed**

For this requirement, the Law on Budget of 2021, the quarterly reports of the same year of the Ministry of Finance, and the Ministry of Economy budget report for 2021 were examined. The classifications were sufficiently detailed as to include all three aspects required: Economic classification of expenses, budget users, and programme classifications. In the Law on Budget 2021, the economic classification is as follows: Salaries and allowances, Goods and Services, Utilities Expenditures, Subsidies and Transfers, Capital Expenditures, and Reserves. The same is present in the Ministry of Economy's year-end report for 2021. A classification based on budget users (Ministries/institutions), sources of funds, programs and subprograms is also present in both above-mentioned documents.

It should be noted that in the Nine-Month Report 2021 of the Ministry of Finance the budget spending is more detailed than the Annual Report 2021, for it includes the percentage of progress for each project of the Ministry of Economy which will further be elaborated in the following requirements.<sup>7</sup>

With regards to the energy sector, the Department of Energy spent 112,763.27 EUR from the budget of the Ministry of Economy for salaries and 6,112.74 EUR for goods and services. This is a department where policies and strategic documents for the energy sector are drafted. The Kosovo Energy Efficiency Agency is another programme that deals with energy matters under the Ministry of Economy. It spent 53,947.33 EUR in salaries, 4,836.10 EUR in goods and services, and 1,000,000 EUR from government subsidies.<sup>8</sup> According to the Audit Report for 2021, it is also important to note that 20 million euros were earmarked for overcoming the energy crisis.<sup>9</sup>

Since the spending information published on the Ministry of Finance website is sufficiently detailed and contains all three categories from the checklist, it is concluded that the requirement is fully met.

#### **REQUIREMENT 3: Responsible sector institution reports on the implementation of capital (investment) projects**

The overall budget for capital expenditures for the Ministry of Economy in 2021 is 25,707,001 EUR. 18.61% of the capital expenditures of the Ministry of Economy goes to the energy sector, more precisely to the Kosovo Agency for Energy Efficiency. In terms of capital projects, the reporting seemed inconsistent in terms of the number of projects and the type of projects.

7 Nine-Month Financial Report: Budget of the Republic of Kosovo, p.48, 2021, <https://mf.rks-gov.net/desk/inc/media/B3E3E909-5AED-4E61-AE62-9C0E000EC87B.pdf>

8 Budget Year-End Report of Ministry of Economy, 2021, accessed via FOI request.

9 Audit Report for the Annual Financial Statements of the Ministry of Economy for the Year 2021, [https://zka-rks.org/wp-content/uploads/2022/05/RaportiAuditimit\\_ME\\_2021\\_Shqip.pdf](https://zka-rks.org/wp-content/uploads/2022/05/RaportiAuditimit_ME_2021_Shqip.pdf)

In the Law on Budget 2021, there is a separate section where all capital projects for the central government are listed. In this document, the Kosovo Agency for Energy Efficiency has three capital projects that are ongoing from 2020:<sup>10</sup>

1. *The implementation of Energy Efficiency (EE) measures in Public Buildings which is ongoing from 2020 has a budget of 4,000,000 EUR for 2021.*
2. *The implementation program of EE measures which is also ongoing from 2020 has a budget of 735,522 EUR for 2021.*
3. *The implementation of Energy Efficiency (EE) and Renewable Energy Resources (RES) measures at the Digital Excellence Centre in ITP Prizren, which is ongoing from 2020, is financed via a government grant and has a budget of 50,000 EUR for 2021.*

No other information with regards to the implementation status of these projects has been presented. Based on the 2021 report of the Ministry of Economy (received via FOI request), there are actually four (4) capital projects. They are listed below:

1. *12722 Energy Audit of Public Buildings and Enterprises with a budget of 27,420 EUR and a progress of 100%.*
2. *14120 Implementation of EE measures in Public Buildings with a budget of 4,000,000 EUR and a progress of 34%.*
3. *15372 Program for the implementation of EE measures with a budget of 739,522 EUR and a progress of 100%*
4. *18364 The implementation of EE and RES measures at the Digital Excellence Centre in ITP Prizren with a budget of 50,000 EUR and no % of progress is shown for this.<sup>11</sup>*

The first project 12722 found in the year-end report is not reflected in the Law on Budget 2021. In this report, the capital projects were reported together with capital projects from other sectors irrelevant to the energy sector. Information on their implementation progress is inconsistent as shown with project 18364. No other details as to why some of the projects were not implemented is found, which means this is not sufficiently detailed.

The Nine Month Report 2021 of the Ministry of Finance also has information on the capital projects and their implementation status. No information or explanation as to why a project has or has not been implemented is found in this report as well. In the Nine Month MF report, only three capital projects related to energy have been identified and their level of progress shown in percentages:

1. 12722 Energy Audit of Public Buildings and Enterprises
2. 14120 Implementation of EE measures in Public Buildings
3. 15372 Program for the implementation of EE measures.<sup>12</sup>

To confirm the number of capital projects for 2021 and those ongoing, The Director of the Budget Department and the Director for the Energy Department at the Ministry of Economy have been interviewed.<sup>13</sup> They stated that there are only three capital projects related to the energy sector,

10 Law No.07L-041 On Budget Appropriations for The Budget of The Republic of Kosovo for 2021, p.153, <https://mf.rks-gov.net/desk/inc/media/1F14DA73-6925-49B6-883E-014550C6E3C8.pdf>.

11 Budget Year-End Report of Ministry of Economy, p.6, 2021, accessed via FOI request.

12 Nine-Month Financial Report: Budget of the Republic of Kosovo, p.48, 2021, <https://mf.rks-gov.net/desk/inc/media/B3E3E909-5AED-4E61-AE62-9C0E000EC87B.pdf>

13 Director of Budget Department and Director of Energy Department. Personal Interview. Ministry of Economy, April 2022, Prishtinë

when in fact there are four according to the year-end report accessed via an FOI request. Thus, there are evident inconsistencies in the number of capital projects reported in the Law on Budget 2021, but also in the year-end report and the interviews that have been conducted. Regarding the lack of implementation in some of the energy-related capital projects, the post-pandemic situation has been cited as one of the main reasons for that.<sup>14</sup> The 18364 The implementation of EE and RES measures at the Digital Excellence Centre in ITP Prizren project have been excluded from the Ministry of Finance reports and the information presented by the interviewees because it is an investment for the local level (municipality of Prizren).

According to the Audit Report 2021, the final budget of the Ministry of Economy has been reduced by 6,516,059 EUR. This is because of the budget review upon the separation of the Ministry of Economy from that of the Environment. In 2021, this Ministry had spent only 53% of the capital investments budget. The major reason for this stated in this report are "the postponement of the projects financed by the Investment Clause due to the constraints created by the situation with the COVID-19 pandemic. This was also confirmed by the public officials interviewed."<sup>15</sup>

Since there are some inconsistencies on information on the implementation status and spending of capital projects, it is concluded that the condition is partially met.

**REQUIREMENT 4: Sectoral budget contains performance targets as a precondition for performance-based budget reporting**

According to the Law on Budget 2022, performance targets are defined for each policy sector similar to the Medium-Term Expenditure Framework (MTEF) 2022-2024.<sup>16</sup> The sector relevant for this assessment is titled Economic Issues and contains a number of objectives and performance indicators, including those for the energy sector. Each sector is divided into three sections: (1) A list of all BOs belonging to that specific sector, (2) an outline of the objectives of the current budget cycle adopted by the MTEF in order to establish a strategic link between the mid-term and annual budget perspective, and (3) the main indicators.<sup>17</sup> At the present stage, there are still no measurable values for some of the indicators, because reliable data regarding them are not available.

Out of all the objectives listed in the MTEF and the Law on Budget 2022 related to the Ministry of Economy, only one objective relates to the energy sector and that is "Ensuring sustainable energy supply, diversification of energy sources, increasing energy efficiency, maximum use of renewable energy sources and creating policies for sustainable development of the mining sector".

14 Ibid

15 Audit Report for the Annual Financial Statements of the Ministry of Economy for the Year 2021, p.12, [https://zka-rks.org/wp-content/uploads/2022/05/RaportiAuditimit\\_ME\\_2021\\_Shqip.pdf](https://zka-rks.org/wp-content/uploads/2022/05/RaportiAuditimit_ME_2021_Shqip.pdf)

16 Law No. 08/L-066 On Budget Appropriations for The Budget of The Republic Of Kosovo For 2022, p.5, <https://mf.rks-gov.net/desk/inc/media/999632B9-E9A6-49B3-8932-E036FB597647.pdf>

17 Medium Term Expenditure Framework 2021-2023, <https://mf.rks-gov.net/desk/inc/media/032A817F-BA29-4F56-A031-C44CB9F1F7EA.pdf>, p.55.

There are two key performance indicators related to this objective, none of them has the year specified:<sup>18</sup>

Key performance indicators	Baseline (year)	Objective (year)
1. Technical and commercial losses in the electricity distribution system will be reduced according to the DSO Master Plan	29 %	12% (2025)
2. Renewable energy of expected final gross energy consumption	24.58 %	25 %-29.47% (2022)

This is quite different from what is observed in the Ministry of Economy report on performance-based indicators for 2022. In the year-end report accessed via FOI request, objectives, performance indicators, baseline and target values are all present. There are no sources of verification/justification for each indicator, no responsible persons/job positions, and no budget allocations linked to those indicators. This means that only half of the required elements are present in the year-end report.

The Ministry of Economy has one objective "Ensuring sustainable energy supply through the development of production capacities and the use of mineral resources for sustainable development" which is similar to the one stated in the Law on Budget 2022. The baseline indicator however is as follows: installed energy capacities and mineral resources in Kosovo, whereas the target indicator is diversification of energy resources, energy efficiency utilization of mineral resources.<sup>19</sup> There is no measurable value for these indicators which makes monitoring and accountability quite challenging.

The activities linked to these performance indicators are also defined. They include: rehabilitation of Kosova B, implementing EE measures and diversification of the energy resources and the implementation of environmental measures in the energy sector; and evaluation of mineral resource potentials through research. The baseline and target values of the indicators in the report differ from those set in the Law on Budget 2022.

Because only half of the elements from the checklist is presented in the year-end report, it is concluded that the condition is not met.

**REQUIREMENT 5: Sectoral programme budget reports contain adequate performance information**

Based on the Law No. 03/L-48 on Public Financial Management and Accountability, Article 21, all central level BOs should present performance indicators in accordance with the respective objectives and activities, covering the most important programs. The following information should be provided for each budget organisation:

1. Output objectives/expected results
2. Output indicators that measure the activity of the institution- a) Baseline indicators; b) Target indicators; and
3. Activities

<sup>18</sup> Law No. 08/L-066 On Budget Appropriations for The Budget of The Republic of Kosovo For 2022, p.601, <https://mf.rks-gov.net/desk/inc/media/999632B9-E9A6-49B3-8932-E036FB597647.pdf>

<sup>19</sup> Annual Report of Ministry of Economy, p.3, 2022, obtained via FOI request

According to the report received via FOI request from the Ministry of Economy, the usual practice for other information not related to the energy sector is that the reporting is done against outputs. In the table relevant to the energy sector presented in the report, it can be found that there is an objective, a target and baseline indicator and a list of activities. However, no budget information is given there and no reporting that is measurable takes place. Based on the reports of the Ministry of Economy for other sectors regarding the performance-based budget programs and the requirements indicated by the Law on Public Financial Management and Accountability, an inference can be made that the budget programs are to be measured against outputs. However, no clear budget reporting takes place (the objectives, indicators, and activities are only vaguely brought forth with no correlation to a specific budget). It is important to note that the capital projects represent only a small portion of the strategic objectives and indicators posed in the MTEF and the Law on Budget 2022.

Since no budget information is given in the performance-based budget, we cannot conclude whether the requirement is met.

#### REQUIREMENT 6: Sectoral programme budget reports are publicly available online

The purpose behind programme budgeting is to report the program expenditures in relation to objectives. An organized form of reporting that takes into account objectives is not publicly available online for the last two calendar years. In fact, this seems to have been a practice for the past few years. The objectives and performance indicators for the sector are stated in the MTEF and Law on Budget, but the Annex only contains a blank form of how the performance-based budgeting is supposed to look like, instead of the actual information. For this reason, it has been concluded that the condition is not met.

#### Final assessment of the requirements

Requirement	Final assessment
Sector-specific information on budget spending is available	Fully met
Sector-specific information on budget spending is sufficiently detailed	Fully met
Responsible sector institution reports on the implementation of capital (investment) projects	Partially met
Sectoral budget contains performance targets as a precondition for performance-based budget reporting	Not met
Sectoral programme budget reports contain adequate performance information	Cannot conclude due to lack of data
Sectoral programme budget reports are publicly available online	Not met

### III. Recommendations for improvements

#### *Regarding Requirement 1:*

1. The budget for the Ministry of Economy should be published separately on the Ministry of Economy's own website (short-term).
2. A separate section for the budget on the energy sector should be created by the Ministry of Economy (short-term).

#### *Regarding Requirement 2:*

3. More detailed sector-specific information to include program activities and projects in the budget with regards to the energy sector should be made available by the Ministry of Finance and the Ministry of Economy. (long-term)

#### *Regarding Requirement 3:*

4. The Ministry of Finance should further develop its annual reporting in terms of capital investments. The number of capital investments should reflect the sector objectives provided in the MTEF and Law on Budget, to increase the government's accountability for achieving planned goals. (short-term)
5. A more detailed monitoring system for implementation status for each capital project should be established by the Ministry of Economy. This means that together with the implementation status of capital projects, the relevant BOs provide an explanation as to why the relevant project is or is not being implemented at the planned rate. (mid-term)
6. Consistency of reporting in the quarterly reports of the Ministry of Finance should be improved, to increase the government's accountability. This means, making sure that the same amount of information is reported during each period (e.g. the implementation progress in % form for capital projects). (short-term)

#### *Regarding Requirement 4:*

7. The performance indicators should include some measurable values which would make monitoring of the activities/projects easier. The Ministry of Economy should include in the performance-based budget reporting the sources of verification/justification for each indicator, the responsible person or job position, and the budget allocations related to these objectives. (mid-term)

#### *Regarding Requirement 5:*

8. The quantity and quality of data on the performance-based budgeting for the energy sector should be improved by the Ministry of Economy. This should be done in accordance with the OECD/Sigma best practices where each budget programme is measured towards an outcome and has a corresponding objective from the MTEF. (long-term)

#### *Regarding Requirement 6:*

9. Programme budget reports (with objectives and performance indicators) should be published on the website of the Ministry of Finance and on the website of the Ministry of Economy in accordance with the Law No. 03/L-48 on Public Financial Management and Accountability. (mid-term)

*General recommendations:*

10. The Ministry of Finance should consider decentralising the management of the budget to other budget organisations. This would increase the roles of each sector ministry in the budget to better allocate their resources for each sector they cover and strengthen their responsibility and accountability on the implementation of projects (long-term).
11. The Ministry of Economy should draft PFM Strategy because the current one (2016-2020) has expired (mid-term).

## Appendices

### Free access to information requests

Institution	Date of sending	Date of receipt
Ministry of Economy	03.06.2022	09.06.2022

### Interviews

Institution/Organisation	Position	Date	Place
Ministry of Economy	Director of Finance Department	Apr 12, 2022	Prishtinë
Ministry of Economy	Directorate of Energy	May 05, 2022	Prishtinë

## Other sources

Annual Financial Report 2021, <https://mf.rks-gov.net/desk/inc/media/936A839C-AB04-465C-9972-40FCB299208B.pdf>

Audit Report for the Ministry of Economy 2021, [https://www.zka-rks.org/wp-content/uploads/2022/05/RaportiAuditimit\\_ME\\_2021\\_Shqip.pdf](https://www.zka-rks.org/wp-content/uploads/2022/05/RaportiAuditimit_ME_2021_Shqip.pdf)

Budget Circular 2022, <https://mf.rks-gov.net/desk/inc/media/6040D649-B04C-4C4E-A8C5-D9BF3543CA27.pdf>

Budget Report of Ministry of Economy, 2021, accessed via FOI request.

Law No. 08/L-066 On Budget Appropriations For The Budget Of The Republic Of Kosovo For 2022, <https://mf.rks-gov.net/desk/inc/media/7794E8E9-0098-46F7-83D0-BE06CEE4B815.pdf>

Law No.07L-041 On Budget Appropriations For The Budget Of The Republic Of Kosovo For 2021,<https://mf.rks-gov.net/desk/inc/media/1F14DA73-6925-49B6-883E-014550C6E3C8.pdf>

Law No. 07/L-001 On Budget Appropriations For The Budget Of The Republic Of Kosovo For Year 2020, <https://mf.rks-gov.net/desk/inc/media/EA0446D5-97E0-4540-A9CB-73521FD245A9.pdf>

Law No. 03/L-048 On Public Financial Management And Accountability, [http://www.zka-rks.org/wp-content/uploads/2017/06/LAW\\_NO.\\_03\\_L-048\\_ON\\_PUBLIC\\_FINANCIAL\\_MANAGEMENT\\_AND\\_ACCOUNTABILITY.pdf](http://www.zka-rks.org/wp-content/uploads/2017/06/LAW_NO._03_L-048_ON_PUBLIC_FINANCIAL_MANAGEMENT_AND_ACCOUNTABILITY.pdf)

Nine-Month Financial Report 2021, <https://mf.rks-gov.net/desk/inc/media/B3E3E909-5AED-4E61-AE62-9C0E000EC87B.pdf>

Medium Term Expenditure Framework 2021-2023, <https://mf.rks-gov.net/desk/inc/media/032A817F-BA29-4F56-A031-C44CB9F1F7EA.pdf>

Monitoring Report Kosovo 2021, <https://www.sigmaweb.org/byexpertise/publicfinancialmanagementpublicprocurementandexternalaudit/Monitoring-Report-2021-Kosovo.pdf>





This project is financed by the European Union



European Policy Institute  
Skopje



institut alternativa



Institute for Democracy and Mediation  
Institut për Demokraci dhe Ndërmjetësim

