

# Newsletter

KOSOVO'S NEW LEGISLATION AND GOVERNMENTAL DECISIONS RELATED TO ECONOMY, FINANCE AND BUSINESS



## LAWS

### [Law No. 08/L-213 \(the "Law"\) on Amending and Supplementing Law No. 08/L-193 on Budget Appropriations for the Budget of the Republic of Kosovo for year 2023 \(the "Basic Law"\), 28 February 2023](#)

This Law amends Articles 4, 15, and 17 of the Basic Law. Article 4.1 of the Basic Law establishes that Kosovo's budget shall be approved in line with the tables attached to the Basic Law, which determine the annual central budget for ministries and institutions, capital projects for central level, municipalities, and municipal capital investments. The new Law adds that, notwithstanding Article 4.1 of the Basic Law, the Government shall be authorized by decision to increase the limit of expenditures and to budget the value of 15 million Euros in specific programs. For this budget allocation, temporary exceeding of the deficit in planning is allowed if it respects the fiscal rule during the execution of the budget.

Further, the Law adds the transfer of funds from one Budget Organization (BO) to another by a decision of the Minister, to the list of the transfers between BOs for which a prior approval by the Assembly is required, in accordance with Article 15.9 of the Basic Law. This shall happen in cases where a BO has surplus funds within the allocated budget funds in the expenditure category "Wages and Salaries", for the efficient implementation of the Law on Salaries in the public sector.

Finally, the Law adds a new provision to Article 17 of the Basic Law, which provides that the monetary value of the coefficient for the Law on Salaries in the Public Sector is 150 Euros.

### [Law No. 08/L-173 on Cyber Security \(the "Law"\), 27 February 2023](#)

This Law sets out the principles of cyber security, the institutions that develop and implement cyber securities policies, the duties of the authorities and entities in the field of cyber security, inter-institutional cooperation, and the prevention and combating of cybercrime in Kosovo. It also establishes the Cyber Security Agency (CSA), as part of the Ministry of Internal Affairs (MIA).

The Law also provides that a National Cyber Security Strategy and Action Plan shall be drafted by the MIA and adopted by the Government, with the support of the CSA and the National Cyber Security Council (NCSC). The CSA will have the authority to order corrective measures and send warnings in cases of failures of the operators of essential services to take proper security measures. The Appeals Commissions is established by the decision of the MIA to review the appeals against any final decisions taken in accordance with the Law.



## Contents

**Published laws on Economy, Finance, and Business, and Other Important Laws**

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**Published International Agreements**

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**Published Decisions of the Government**

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**Published Draft Laws pending in the Government and in the Assembly**

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*Note: There are no Constitutional Court decisions relevant to economy, finance, and business for this period*

# INTERNATIONAL AGREEMENTS

## Financial Agreement between the Republic of Kosovo and European Union on IPA 2025 Program, (the “Agreement”), 27 February 2023

By this Agreement, the EU agrees to finance, and Kosovo agrees to accept the financing of the Annual Action Plan in favor of Kosovo for 2023, for Action “Safe and Resilience Building Contract for Kosovo”, under the Instrument for Pre-Accession Assistance, IPA III. The total estimated cost for the program is EU 75,000,000 and no NEWSLETTER KOSOVO’S NEW LEGISLATION, AND GOVERNMENTAL DECISIONS RELATED TO ECONOMY, FINANCE AND BUSINESS financial contribution is required from Kosovo. The execution period of the Agreement is set at 8 years from its conclusion, while the duration of the operational implementation period is set at 2 years, from the conclusion of the Agreement. The program will be implemented in line with the Financial Framework Partnership Agreement (FFPA) between the European Commission and Kosovo which entered into force on 12 September 2022.

The priority areas of the Annual Action Plan include energy, macroeconomic policy, public financial management, transparency and oversight of the budget, environmental protection, climate change and biodiversity, gender equality and empowerment of women and girls, human rights, disability, conflict sensitivity, peace and resilience, and disaster risk reduction.

# DECISIONS OF THE GOVERNMENT

## Decisions of date 8 February 2023

**Decision No. 10/127** on approving the request of the Ministry of Economy for allocating €720,000 for the implementation of Measure 3.7 – Support in overcoming the energy crisis, of the Economic Recovery Package.

## Decisions of date 22 February 2023

**Decision No. 10/130** on authorizing the Minister of Finance to approve the transfer of funds from the subprogram on estimated costs of the Law No. 08/L-193 on Budget Appropriations for the Budget of the Republic of Kosovo for Year 2023, to another sub-program. The overall amount of the transferred funds shall not exceed 20% of the annual allocated amount for the sub-program on estimated costs.

## Decisions of date 16 February 2023

**Decision No. 03/128** on amending and supplementing the Action Plan for mitigating the immediate socioeconomic impact of the energy crisis.

**Decision No. 05/128** on approving the allocation of € 10,300,000 for the implementation of the measures of the Economic Recovery Package for the Ministry of Finance and the Ministry of Industry, Entrepreneurship and Trade.



### Decisions of date 8 March 2023

**Decision No. 04/132** on approving the National Strategy for Development 2030 as Kosovo's key strategic document in establishing the development priorities and the long-term strategic goals. By this Decision, the National Plan for Development is also approved as an organic part of the National Strategy for Development, which contains the actions to be taken for the next 3 years. The key strategic objectives of the National Strategy for Development in the business and industry areas, include:

- A fair, adaptable, and competitive business environment.
- The stimulation of digital transformation and innovation in start-up businesses and small/medium enterprises.
- The development of an industry with an added value of products and services.
- The mobilization of industry toward circular economy.
- Increase export-oriented investments.
- Competitive and sustainable tourism.
- Support for youth and women entrepreneurs.
- Support for innovation, development of e-business and promotion of cooperation with scientific institutions.
- Support for strategic sectors.

**Decision No. 05/132** on approving the Declaration of Medium-Term Priorities of the Government 2024-2026, which establishes the framework of policies for preparing the Medium-Term Expenditure Framework and the annual budget drafted by the Ministry of Finance. Decision No. 14/132 on approving the allocation of € 1,500,000.00 for the implementation of the Decision of the Government No. 31/99 of September 2022, particularly measure 3.6 – Support to family liquidity of the Economic Recovery Package.

### Decisions of date 20 March 2023

**Decision No. 01/135** on approving the request of the Ministry of Economy on the allocation of 7,278,747.59 € for the implementation of measure 3.7 of the Economic Recovery Package on overcoming of the energy crisis

### Decisions of date 22 March 2023

**Decision No. 03/136** on approving the Draft Law on the Ratification of the Loan and Project Agreement between the Republic of Kosovo, represented by the Ministry of Finance, Labor and Transfers, KOSTT (System, Transmission and Market Operator J.S.C.) and KfW, Frankfurt Am Main ("KfW") for the project "Development of the Energy sector VII - Improvement of Transmission Network (the "Loan and Project Agreement") The purpose of the Loan and Project Agreement is to improve the transmission network in Kosovo. The Draft Law is forwarded to the Assembly of the Republic of Kosovo for review and approval, and will enter into force upon its publication in the Official Gazette of the Republic of Kosovo.

**Decision No. 04/136** on approving the Draft law on the Ratification of the Loan Agreement between the Republic of Kosovo and the European Bank for Reconstruction and Development for the "Pristina Solar Heating Plant "Project (the "Loan Agreement") The purpose of the Loan Agreement is to build capacities of thermal energy and for the expansion of the heating network of Prishtina. The Draft Law is forwarded to the Assembly of the Republic of Kosovo for review and approval and will enter into force upon its publication in the Official Gazette of the Republic of Kosovo.

**Decision No. 13/136** on approving the allocation of 6,000,000 € for the implementation of Measure 3.7 of the Economic Recovery Package on overcoming the energy crisis.

**Decision No. 18/136** on approving the proposal to request the President of the Republic of Kosovo to authorize the Ministry of Industry, Entrepreneurship and Trade, to sign the Agreement between the European Union and Kosovo on the participation of Kosovo in the Single Market Programme.

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