

Newsletter

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



LAWS

[Law No. 08/L-172 on General Products Safety \(the "Law"\) – 3 April 2023](#)

The Law abolishes the 2012 [Law No. 04/L-078](#) on General Product Safety (the "abolished Law"). It aims to ensure that the products placed on the market are safe, by setting out the general safety requirements for products, obligations of producers and distributors, information of public, encouraging/taking the voluntary measures and inspection surveillance for the fulfillment of specified requirements.

Among others, the Law defines safe products and the elements that need to be taken into account for the determination of safe products, including product properties, the effect on other products, presentation of the product, the categories of consumers and other users at risk when using a particular product, especially children and the elderly, and the appearance of the product, which might mislead the consumer in a way that may pose a risk to their health and life. The latter was not foreseen with the abolished Law.

The Law further establishes the general safety requirement and safety criteria, which shall be assessed by the manufacturer or distributor and by the competent inspectorate, based on Kosovo's legislation, Kosovo standards adopted based on the relevant European standards and other standards, recommendations of the European Commission, codes of good practice, the state of art and technology, and reasonable consumer expectations concerning safety.

Chapter III of the Law sets out much more detailed obligations of producers and distributors than those established in the abolished Law. In addition to voluntary measures of the producers and distributors to support the establishment of good practice rules and making exclusively safe products available on the market, the Law expressly foresees that the competent inspectorates shall establish the cooperation procedures between producers and distributors to take actions to avoid the risks arising from products and publish them.

With regards to fines and penalties, the abolished Law had merely noted that they are determined "according to the applicable legislation that regulates the inspectorate and market surveillance". The new Law contains concrete provisions on inspectorate and market surveillance and establishes concrete fines for violations of the legal provisions.

Additionally, the Law regulates the implementation of the decision of the European Commission which bans or restricts placing on the market and export of a certain product or group of products that pose a serious risk to health and safety of the consumer, and the meaning of legal terms after Kosovo's accession to the European Union.



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[Law No. 08/L-162 \(the “Law”\) on the Ratification of the Financing Agreement between the Republic of Kosovo represented by the Ministry of Finance, Labor and Transfers, and the International Development Association for the Kosovo Social Assistance System Reform Project, hereinafter the “Agreement’, 13 April 2023](#)

This Law aims to ratify the Financing Agreement between the Republic of Kosovo, represented by the Ministry of Finance, Labor and Transfers (the “Ministry”), and the International Development Association (the “Association”), by which the Association agrees to provide the Republic of Kosovo, a loan of EUR 47,000,000, for the financing of the Project of the Reform of the Social Assistance System in Kosovo (the “Project”). The Project aims to improve the equity and adaptability of Kosovo’s social safety net. It includes, among others, strengthening the social assistance system, supporting those who benefit from the social assistance scheme (the “scheme”), improving the performance of the scheme, reacting against COVID-19 through the scheme, the financing of payments for the scheme, for the “qualified families” that meet the criteria, and supporting the implementation of the proposed legislation for the scheme.

[Law No. 08/L-203 \(the “Law”\) on Ratification of the Loan Agreement for the Project “Green Cities Framework 2 Window 2 – Energy Efficiency in Public Buildings in Prishtina” \(the “Project’\) between the Republic of Kosovo and the European Bank for Reconstruction and Development \(the “Agreement”\) – 13 April 2023](#)

This Law aims to ratify the Loan Agreement between the Republic of Kosovo (the “Borrower”) and the European Bank for Reconstruction and Development (EBRD), according to which EBRD will lend to the Borrower the amount of EUR 5,000,000 for the implementation of the Project. The purpose of the Project is to assist the Borrower in implementing energy efficiency measures in 47 municipally owned buildings, including kindergartens, schools, and primary healthcare centres. The proposed measures are of the same nature as those for the Project on Energy Efficiency in Public Buildings in Prizren (see Law 08/L-204 above).



[Law No. 08/L-204 \(the “Law”\) on the Ratification of the Loan Agreement for the Project “Energy Efficiency in Public Buildings in Prizren” \(the “Project”\) between the Republic of Kosovo and the European Bank for Reconstruction and Development \(the “Agreement”\) – 13 April 2023](#)

This Law aims to ratify the Agreement between the Republic of Kosovo, represented by the Ministry of Finance, Labour and Transfers (the “Borrower”) and the European Bank for Reconstruction and Development (EBRD), which foresees that EBRD will provide financing for specific projects to foster the transition towards open market-oriented economies and to promote private and entrepreneurial initiatives. The Borrower, on the other hand, will implement the project designed to assist in the development of energy efficiency as well as structural and comfort measures in buildings in Prizren. The overall purpose of the Project is to assist the Borrower in the implementation of energy efficiency, structural and comfort measures in up to 100 public buildings, including kindergartens, schools, and primary healthcare centers. The proposed measures include improvement and replacement of heating systems, thermal insulation of buildings and installation of energy efficient windows and doors. The measures will however not include any heating system that involves the installation or use of solar panels or any other technology or measure that uses solar panels. The EBRD will make available an investment grant in an amount of up to EUR 1 million, mobilize technical cooperation funds in an aggregate amount of EUR 315,000, and make a loan to the Borrower in the amount of EUR 5,000,000.

DRAFT LAWS

[Draft Law on Ratification of the “Financing Agreement between the Republic of Kosovo and the European Union on IPA 2022 Programme” \(the “Draft Law”\) – 14 April 2023](#)

The purpose of the Draft Law is to ratify the Financing Agreement between Kosovo and the European Union on IPA 2022 (the “Financing Agreement”) which is the third agreement signed under IPA III and is expected to bring Kosovo over 62 million euros. In addition to the funds provided by the EU, the projects will be co-financed by Kosovo’s budget and other bilateral partners. The draft law is currently under the legislative process, waiting to be reviewed in principle by the Functional Committee of the Assembly of Kosovo.

DECISIONS OF THE GOVERNMENT

Decisions of date 12 April 2023

Decision No. 03/138 on approving the Draft Law on Ratification of the “Financing Agreement between the Republic of Kosovo and the European Union on IPA 2022 Programme”.

Decision No. 10/138 on approving the allocation of EUR 5,528,000.00 for the implementation of Measure 2.2 – Supporting businesses for access to finance, of the Economic Recovery Package.

Decision No. 12/138 on approving the allocation of the amount of EUR 3,500,000.00 for the Ministry of Local Government Administration in accordance with 14 Memorandums of Understanding for capital projects signed by the Minister of Local Government Administration and the heads of municipalities, and the donors.

Decisions of date 18 April 2023

Decision No. 01/139 on repealing a previous government decision of December 2022 which granted Strategic Investment Status to an Investment Entity “MOXICO LUMA KOSOVA MINING L.L.C.”, due to the new circumstances which violate the public interest and contradict the applicable legislation on strategic investments, as well as that on mines and minerals.



Decisions of date 26 April 2023

Decision No. 06/140 on approving the allocation and the transfer of the amount of EUR 10,000,000.00 for the implementation of the energy efficiency measures in accordance with the Implementation Plan for mitigating the immediate socio-economic impact of the energy crisis.

Decision No. 08/140 on allocating EUR 9,000,000.00 for the implementation of point 1.1 of Government Decision No. 31/99 on supporting the overcoming of the energy crisis, within Measure 3.7 of the Economic Recovery Package – Support in overcoming the energy crisis. The decision also approves the transfer of the current expenses realized until the end of February 2023 in the amount of EUR 8,912,736.15.

Decision No. 10/140 on approving the initiative for the conclusion of the supplementary Grant Agreement in the amount of EUR 13.2 million between the Republic of Kosovo represented by the Ministry of Finance, Labor and Transfers, KfW Frankfurt am Main and the Regional Water Company Prishtina JSC for the Project “Kosovo Wastewater Program II”.

Decision No. 11/140 on approving the proposal to request from the President of Kosovo the granting of authorization to the Minister of Finance, Labor and Transfers for the signing of the Financing Agreement between the Republic of Kosovo and the International Development Association for the Project for “Strengthening Digital Governance for Service Delivery”.

Decision No. 12/140 on approving the request of the Ministry of Internal Affairs for the allocation of EUR 600,000 for the financing of the “Electronic Monitoring System” Project for 2023.

Decision No. 13/140 on allocating EUR 15,000 for the Vienna Economic Forum for the purpose of Promoting the Republic of Kosovo and based on the cooperation agreement between the Forum and the Government of Kosovo, dated 12 January 2023.

Decision No. 18/140 on allocating EUR 157,250 for the implementation of the project with the World Bank for Strengthening Digital Governance for Service Delivery.

Decision No. 19/140 on allocating EUR 243,000 for the implementation of Measure 1.3 – Women employment support, Measure 4.5 – Support to diaspora, and point 1.3 of a government decision of September 2022, within Measure 3.6 – Support to family liquidity, of the Economic Recovery Package.

Decision No. 20/140 on adding Measure 1.9 to the Economic Recovery Package – Support to employment of persons coming from non-majority communities-EUR 3 million.

Decision No. 21/140 on approving the request of the Ministry for Communities and Return for the allocation of EUR 3,000,000.00 for the implementation of Measure 1.9 of the Economic Recovery Package.

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