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KOSOVO

# Reform Agenda Update - Reform Monitor

JUNE 2026



GROUP FOR LEGAL  
AND POLITICAL  
STUDIES



# Reform Agenda Update - Reform Monitor

**Kosovo - JUNE 2026**

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This publication is part of the series “Reform Agenda Updates”, national monitoring reports that track the implementation of the Reform Agendas as part of the Reform and Growth Facility for the Western Balkans (RGF), within the Western Balkan Reform and Growth Monitor project (Reform Monitor).

The “Reform Agenda Updates” assessment focuses on the implementation progress of country-specific obligations under the RGF. Monitoring is conducted through a set of procedural, reform implementation, and financial indicators. The core of the monitoring exercise tracks reform steps with defined deadlines, assessing their implementation status based on publicly available evidence and official documentation obtained by national authorities, and, where relevant, complemented by information from independent institutions and civil society sources. Cross-cutting attention is given to stakeholder participation and transparency.

The monitoring exercise covers selected reforms organised into so-called “policy domains,” created by coding the sub-areas of the harmonised policy areas in the Reform Agendas. The selected policy domains, which enable regional-level analyses, benchmarking, and comparability, are supported by the available human resources and the thematic expertise of the Think for Europe Network (TEN).

For methodological notes and the reform steps selection process, see the draft methodology note at the [link](#).

The Reform Agenda Update is structured as follows. The key findings and recommendations provide a high-level summary. The Legal and Institutional Arrangements and Requests and Release of Funds sections monitor overall progress in the procedural and financial aspects of implementing the Reform Agenda. The last section, Reforms in Focus: Reform Monitor policy domains, provides independent monitoring findings on selected reforms. Here, each section provides a narrative snapshot of progress and obstacles in implementing Kosovo’s Reform Agenda.

The cut-off date for data collection and assessment for this update is 30.06.2026. Further policy developments may shift the status of currently pending reforms and will be reflected in subsequent updates.

These monitoring updates are not a substitute for the European Commission’s formal assessments.



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On June 30<sup>th</sup>, 2026, Kosovo completed four out of a total of seven semesters under the New Growth Plan. With the deadline of the RGF approaching in late 2027, the state of play regarding the implementation of the Reform Agenda remains rather bleak. Of the 13 reform steps planned for June 2025, whose grace period ended in June 2026, the government has reported fulfilling only 7.<sup>1</sup> If confirmed by the European Commission, this would translate into an implementation rate of just over 50%, which is insufficient to credibly support Kosovo's EU aspirations such as gaining the candidate country status and also opening accession negotiations.

The political paralysis that has characterized the country since early 2025 has also taken its toll on the RGF. Even the simplest institutional procedures, such as passing laws in the parliament and adopting new strategies and policies, have been rendered impossible due to the caretaker mandate of the executive and a suspended legislature. The Assembly of Kosovo and the Government enjoyed a full mandate for a mere 76 days during 2026 (11 February to 29 April 2026). This limited time frame, combined with a persistent election campaign environment, has prevented the necessary focus on the Growth Plan.

The end of 2026 will mark the end of the grace period for the 7 reform steps from the first semester (December 2024) and the 20 reform steps from the third semester (December 2025). In total, these are allocated 165.9 million euros. Considering that the grace period for the second semester already expired in June 2026, this year-end deadline will finalize the timeline for 40 reform steps in total. Based on public statements by the National Coordinator, the cumulative financial opportunity costs could reach at least 140 million euros by the end of 2026.<sup>2</sup> This situation raises serious concerns regarding the financial feasibility of the RGF, as well as Kosovo's capacity to undertake the necessary reforms to become a member of the European Union. A low implementation rate for the Reform Agenda sends a negative signal about Kosovo's institutional readiness to join a Union whose decision-making bodies produce thousands of laws, regulations, directives, and other documents per year. To gain credibility in its accession quest, the Government of Kosovo needs to seriously intensify its efforts to fulfill its obligations arising from the RGF.

1 Government of the Republic of Kosovo, "Address of the Chief Negotiator with the European Union from the Press Conference Regarding the Reform Agenda," *European Integration Office*, 1 July 2026, <https://integrimievropian.rks-gov.net/en/news/adresimi-i-kryenegociatorit-me-bashkimin-evropian-nga-konferenca-per-media-ne-lidhje-me-agjenden-e-reformave/>.

2 KosovaPress, "Zulfaj për fondet e BE-së: Nëse nuk kemi institucione, i humbim edhe 100 milionë euro," July 4, 2026, <https://kosovapress.com/zulfaj-per-fondet-e-be-se-nese-nuk-kemi-institucione-i-humbim-edhe-100-milione-euro>.

In the upcoming period, the Government of Kosovo should unfortunately focus its attention on mitigating damages instead of the full implementation of the Reform Agenda. The reform steps whose grace period has ended should nonetheless be implemented, even though the financial incentives are lost. This is because their proper fulfillment will assist Kosovo's European integration path and provide better policies and governance for its citizens. Most importantly, a potential failure of the political parties to elect a president and a government in the second half of the year would have catastrophic consequences for the execution of the Facility. Hence, it is of fundamental importance to establish the new institutions and immediately proceed with carrying out belated reforms.

**Some of the Key Recommendations are as following:**

- Declare the robust implementation of the Reform Agenda a political priority for the incoming government;
- Establish a dedicated task force composed of senior civil servants from relevant ministries and other institutions to meet on a weekly basis to coordinate inter-institutional implementation efforts;
- Ensure each relevant ministry and agency appoints at least one civil servant as the Reform Agenda coordinator for their institution, tasked with gathering information on the state of play and coordinating implementation efforts. Preferably, they should also be members of the above-mentioned task force;
- Prioritize the fulfilment of the December 2024 and December 2025 reform steps as their grace period ends in December 2026. The inability to complete these reforms by the New Year's Eve would result in serious financial setbacks from the RGF;
- Compile a list of essential laws derived from the Reform Agenda to be adopted in the Assembly with priority over other legislation. This recommendation should be interpreted in a spirit of full compliance with legal public consultation requirements;
- Ensure the National Coordinator of the Reform Agenda works with both ruling and opposition parties to build a cross-party consensus around the implementation of the Agenda, including through voting on laws in the Assembly;

- The government should not ignore the reform steps whose grace period has passed. They should be implemented even if the financial incentives have been missed, since these reforms align Kosovo more closely with the EU;
- Identify short-staffed institutions and initiate procedures to fill the respective positions to facilitate better implementation;
- The government should better utilize reporting deadlines in order to ensure the timely submission of payment requests and avoid last-minute submissions;
- Include civil society organizations in a meaningful way in the consultation processes for legal and executive reforms. The N-CoMRA platform offers a conducive environment for meetings and discussions between interested civil society members and public officials;
- The government should use the gender-sensitive indicators developed by the Agency for Gender Equality (AGE). The Agency should publish its list of gender-sensitive indicators for specific reform steps to make them easily accessible to the general public and researchers;
- Public institutions tasked with the implementation of the Reform Agenda should enhance their transparency practices and publish relevant documents as obligated by the Facility Agreement.

Compared to the previous semester, in this semester there have been positive developments regarding the implementation of the RGF in Kosovo. The Facility<sup>3</sup> and Loan<sup>4</sup> Agreements were ratified in the Assembly on 13 February 2026, two days after the establishment of the 10<sup>th</sup> legislature. This was followed by the appointment of the National Coordinator of the RGF Reform Agenda by the Government on 19 March.<sup>5</sup> The National Coordinator serves as the head of governmental efforts to implement the Reform Agenda and also is the primary contact point of the European Commission to discuss issues originating from the RGF. In Kosovo's case, this position was merged with the role of the Chief Negotiator for EU accession negotiations. While the merging of these two positions can create a positive momentum for EU affairs in general, it is important to ensure that double obligations are not executed at the expense of each other and that sufficient care and effort is put into both positions..

As a result of these efforts, Kosovo received a pre-financing payment of 7%, amounting to 61.8 million euros, on 16 April.<sup>6</sup> The first RGF Monitoring Committee meeting was held on 17 June, with the participation of representatives from the government, the EU, and civil society.<sup>7</sup> Co-chaired by the National Coordinator and a representative of the European Commission, the Committee is composed of relevant Kosovo and EU officials, along with representatives from civil society, academia, and chambers of commerce. The Committee reviews the overall progress made during the preceding period, discusses potential steps to enhance implementation, and proposes strategic policy measures.

The government invited more than 30 civil society organizations, half a dozen of which attended to ensure representation from the non-governmental sector. Civil society is granted participatory status under the Rules of Procedure of the Monitoring Committee, giving organizations the right to attend meet-Regarding implementation, the first official payment request was submitted

3 Assembly of the Republic of Kosovo, Law No. 10/L-002 on Ratification of the Facility Agreement between the Republic of Kosovo and the European Union on Specific Arrangements for Implementation of Union Support to Kosovo under the Reform and Growth Facility, February 13, 2026, <https://www.kuvendikosoves.org/eng/projektligjet-dhe-ligjet/draftlawopen/?draftlaw=589>.

4 Assembly of the Republic of Kosovo, Law No. 10/L-003 on Ratification of the Loan Agreement between the Republic of Kosovo and the European Union on Specific Arrangements for Implementation of Union Support to Kosovo under the Reform and Growth Facility, February 13, 2026, <https://www.kuvendikosoves.org/eng/projektligjet-dhe-ligjet/draftlawopen/?draftlaw=591>.

5 Office of the Prime Minister of the Republic of Kosovo, "Jeton Zulfaj Appointed Chief Negotiator of Kosovo with the EU and Coordinator for the Reform and Growth Facility," March 19, 2026, <https://kryeministri.rks-gov.net/en/news/jeton-zulfaj-emerohet-kryenegociator-i-kosoves-me-be-dhe-koordinator-per-instrumentin-per-reforma-dhe-rritje/>.

6 European External Action Service, "EU Starts EUR 61.8 Million Pre-Financing for Kosovo under Growth Plan," April 16, 2026, [https://www.eeas.europa.eu/delegations/kosovo/eu-starts-eur-618-million-pre-financing-kosovo-under-growth-plan\\_en?s=321](https://www.eeas.europa.eu/delegations/kosovo/eu-starts-eur-618-million-pre-financing-kosovo-under-growth-plan_en?s=321).

7 European External Action Service, "Kosovo and European Union Held First Meeting of the Reform and Growth Facility Monitoring Committee," June 17, 2026, [https://www.eeas.europa.eu/delegations/kosovo/kosovo-and-european-union-held-first-meeting-reform-and-growth-facility-monitoring-committee\\_en](https://www.eeas.europa.eu/delegations/kosovo/kosovo-and-european-union-held-first-meeting-reform-and-growth-facility-monitoring-committee_en).

on 15 July, on the very deadline itself.<sup>8</sup> This represents a suboptimal use of time, and the government should consider appropriate steps to ensure that reporting takes place within a reasonable timeframe, allowing for sufficient discussion within public institutions. Although these measures are positive, they were taken too late in the context of the Facility, which began in late 2024, and, in and of themselves, were insufficient to satisfactorily carry out the necessary reforms.

| Procedural Step                                             | Status             | Progress Details                                                                                                                 |
|-------------------------------------------------------------|--------------------|----------------------------------------------------------------------------------------------------------------------------------|
| Reform Agenda Submission to the EU                          | Achieved           | Final Reform Agenda submitted on 9 October 2024.                                                                                 |
| Reform Agenda Implementing Decision                         | Achieved           | EC implementing decision adopted on 24 October 2024                                                                              |
| Facility Agreement Ratification and Entry Into Force        | Not achieved       | The Assembly ratified the Facility Agreement on 13 February 2026.                                                                |
| Loan Agreement Ratification and Entry Into Force            | Not achieved       | The Assembly ratified the Loan Agreement on 13 February 2026                                                                     |
| Reform Agenda Amendment Procedure                           | N/A                | So far it has not been amended.                                                                                                  |
| National RA Coordinator Appointment                         | Achieved           | On 19 March 2026, Jeton Zulfaj was appointed Kosovo's Chief Negotiator with the European Union and National RA Coordinator.      |
| Anti-Fraud Coordination Service                             | N/A                | This issue is still under discussion between the EU and the Government of Kosovo.                                                |
| RGF Monitoring Committee Establishment                      | Achieved           | The RGF Monitoring Committee was established on 17 June 2026.                                                                    |
| RGF Monitoring Committee Functioning                        | Achieved           | The committee is functional.                                                                                                     |
| Civil Society Participation in the RGF Monitoring Committee | Partially Achieved | While civil society was invited and represented in the meeting, its participation shall be stipulated by the Rules of Procedure. |
| Technical Infrastructure for Monitoring and Reporting       | Achieved           | OPM is responsible for collecting progress data from across the public institutions.                                             |
| Communication and visibility plan                           | Achieved           | The government has drafted and submitted a communication and visibility plan.                                                    |

<sup>8</sup> Radio Free Europe/Radio Liberty, "Kosova dorëzon raportin për zbatimin e reformave nga Plani i Rritjes," [Kosova submits implementation report for the Growth Plan] July 16, 2026, <https://www.evropaelire.org/a/kosova-raporti-reformat-plani-rritjes/33805024.html>

Although the RGF has concluded its fourth consecutive reporting period, Kosovo only submitted its first official semi-annual payment request on 15 July 2026. This is the direct result of the belated ratification of the Facility and Loan Agreements, which only took place on 13 February 2026. Prior to that, the Government of Kosovo had submitted unofficial implementation reports, which were also informally reviewed by the European Commission in order to maintain a parallel track of scrutiny over the reforms. Following the submission of the first payment request, the Commission has up to 90 days at its disposal to review the report, request further clarifications if needed, and issue its official assessment. This will mark the European Commission's first official assessment, as it has so far been unclear which reform steps have been successfully completed and which have not.

It is worth noting that the Government of Kosovo was the last in the region, with the exception of Bosnia and Herzegovina, which failed to undertake this step due to objective reasons—to submit its semi-annual payment request, doing so only on the very day of the 15 July deadline. In upcoming reporting periods, the government should utilize its timelines more productively to allow for timely internal reporting within public institutions and proactive reporting to the European Commission. This would ensure higher-quality reporting, mitigate potential misunderstandings, and raise overall transparency standards.

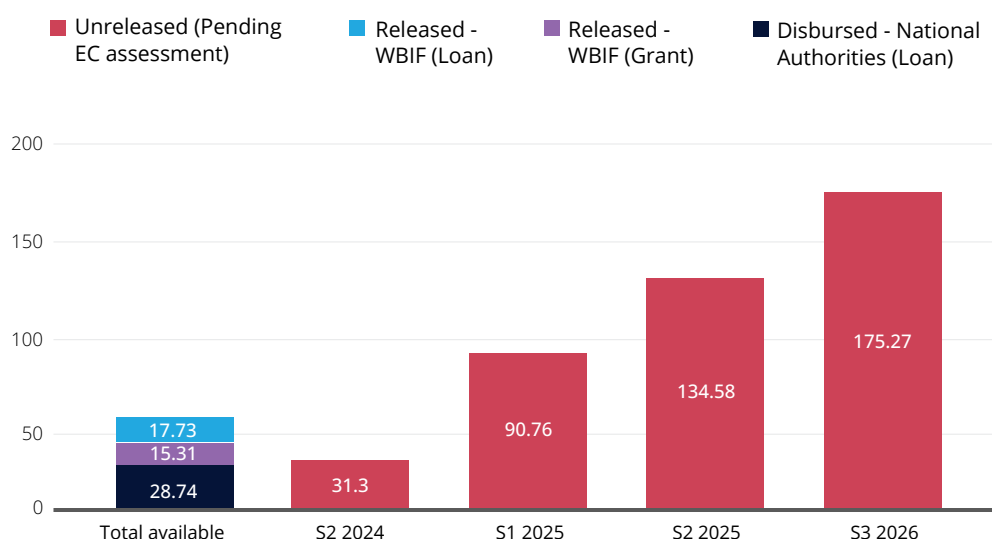
| Procedural Step                                                                 | Status       | Progress Details                                                                                         |
|---------------------------------------------------------------------------------|--------------|----------------------------------------------------------------------------------------------------------|
| Pre-Financing request                                                           | Achieved     | Kosovo submitted the pre-financing request on 23 February 2026.                                          |
| Pre-Financing disbursement                                                      | Achieved     | The disbursement took place on 16 April 2026.                                                            |
| Semi-annual payment request submission                                          | Achieved     | The first payment request was submitted on 15 July 2026.                                                 |
| Supporting documentation for reform completion (national semi-annual reporting) | Achieved     | Kosovo submitted the supporting documentation alongside with the request on 15 July 2026.                |
| EC assessment on RA implementation                                              | N/A          | The European Commission is analysing the report and will publish its assessment in October 2026.         |
| General Conditions met                                                          | N/A          |                                                                                                          |
| Pre-Conditions met                                                              | N/A          |                                                                                                          |
| Annual RGF Implementation Report Prepared and Submitted                         | Not Achieved | Kosovo has only submitted the semi-annual report and can submit the first annual report by January 2027. |

The fourth reporting period of the RGF has a total funding allocation of 175.3 million euros. Together with the final reporting period, this represents the highest figure dedicated to a single semi-annual period within the Facility. The aggregate allocation for the first four reporting periods of the Facility is 431.9 million euros, representing roughly half of the total 883 million eu-

ros available in funding. Although chronologically the majority of the Reform Agenda timeline has passed (four out of seven reporting periods), the Agenda is designed in a way where the weight of the reform steps is more demanding in the second half than in the first. Therefore, it is reasonable to project that the next three reporting periods will be more intensive than the first four, requiring greater effort and dedication from the government.

As a direct consequence of the late ratification of the Facility and Loan Agreements, Kosovo only submitted its first payment request on 15 July 2026. Consequently, Kosovo has not yet received any funding for the reform steps achieved so far; disbursements are expected to take place in mid-October 2026, when the European Commission is anticipated to publish its first official assessment. To date, Kosovo has only received the 7% pre-financing payment of 61.8 million euros. Of those funds, 28.74 million euros were transferred to the state treasury, while 33.04 million euros were directed to the Western Balkans Investment Framework (WBIF). A total of 17.7 million euros of the funds allocated so far consist of non-repayable grants, while the remaining 44.1 million euros are provided as loans.<sup>9</sup> In principle, funds allocated to the state budget should be spent on the implementation of reforms, although the agreements impose no strict legal limitations on their exact allocation. Meanwhile, the funds directed to the WBIF will be used for infrastructure projects selected by Kosovo through the Single Project Pipeline.<sup>10</sup>

Kosova allocations and use of RGF funds, as of 21 June 2026



<sup>9</sup> Ibid. 6.

<sup>10</sup> National Investment Committee of the Republic of Kosovo, Single Project Pipeline of Infrastructural Investments, <https://kiesa.rks-gov.net/desk/inc/media/6F6E764F-98C4-4240-937B-A11C8730FA3F.pdf>.

When discussing the feasibility of the financing scheme, first and third semesters with deadlines by December 2024 and 2025, respectively deserve special attention. Their grace period ends in December 2026 (the reform steps of the first semester were granted two years of grace period).<sup>11</sup> The 7 reform steps of the first semester were allocated 31,3 million euros, while the 20 reform steps of the third semester have 134,6 million euros dedicated to them. As a result, a failure to successfully implement them would bear the consequence of losing access of up to 165, 9 million. This should serve as a further incentive for political parties to come up with a solution to the question of the president and the government and urgently implement as many of the reform steps as possible to avoid financial loss.

In the absence of a fully mandated government and a functional Assembly, Kosovo has been unable to deliver on some of the most crucial reforms requiring adoption at cabinet meetings or in the Assembly. The National Coordinator has publicly acknowledged that at least 100 million euros across these two reporting periods are currently at risk of being lost. According to government estimates, Kosovo has already lost access to upwards of 40 million euros of funding dedicated to June 2025, whose grace period ended on 1 July 2026.<sup>12</sup> While this represents a self-assessment by the government, and self-assessments tend to be overly optimistic, it serves as a clear indicator of the internal dynamics surrounding the implementation of the Reform Agenda. If the government itself reports a completion rate of only 7 out of 13 reform steps (54%), this rings alarm bells for the upcoming reporting periods. In the unfortunate scenario where the Assembly and the Government cannot be established and a new president is not elected this summer, a plausible situation that could trigger snap autumn elections—political parties would place hundreds of millions of euros in Growth Plan funding at direct risk.

<sup>11</sup> Ibid. 3, Article 14 specifies the rules for the release of funds.

<sup>12</sup> Ibid. 2.

In this update, the Reform Monitor tracked 9 reform steps across the selected policy domains out of the 22 reform steps scheduled for the fourth reporting period by the cut-off date. The coverage includes reform steps with deadlines in the reporting period ending June 2026. In addition to these, this report also tracks the implementation of reform steps from the three previous reporting periods (December 2024, June 2025, and December 2025). These account for 17 out of 40 steps, meaning that out of a total of 62 reform steps dedicated to the first four reporting periods of implementation, 26 are scrutinized in this update.

The table below provides a summary overview by policy area and policy domain, indicating which reforms are covered. It details how many reform steps are monitored in each case as an entry point to the detailed policy-domain analysis and reform-step assessments presented in the following sections.

| Policy area (harmonised)      |                                                                                                                                                                                                                                                                                  |                                                                   |
|-------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|
| Reform (ID & Title)           | Progress Details                                                                                                                                                                                                                                                                 | In focus [due and monitored]                                      |
| Fundamentals and Rule of Law  |                                                                                                                                                                                                                                                                                  |                                                                   |
| Judicial reforms              | Improve the performance, integrity, accountability and efficiency of the judiciary, including by implementing the Joint Commitment Statement                                                                                                                                     | 4/5 steps (3 in the grace period, 1 due and 1 in the next period) |
| Anti-corruption               | Improve the efficiency to fight corruption through prevention and repression and by improving the strategic framework                                                                                                                                                            | 3/5 steps (2 in the grace period, 1 due and 2 in the next period) |
| Fight against organised crime | Effectively implement police organizational structure allowing for intelligence-led approach to fight organized crime, implement strategic approach to fighting organized crime and improve multi-disciplinary cooperation in complex cases, leading to increase in convictions. | 2/3 steps (1 in the grace period, 1 due, 1 next period)           |
| Digital Transition            |                                                                                                                                                                                                                                                                                  |                                                                   |
| Digital public services       | Ensure user-friendly digital public service delivery through administrative burden reduction and improved quality and increased number of services available online                                                                                                              | 2/5 steps (1 in grace period, 1 due, 5 in the next period)        |
|                               | E-signature and deployment of digital identity wallet                                                                                                                                                                                                                            | 1/5 steps (1 in the grace period, 1 due, 4 next period)           |
| Cyber resilience              | Comprehensive framework for cyber resilience (introducing requirements of NIS2 Directive and strengthening relevant institutions)                                                                                                                                                | 1/4 steps (1 due, 3 in the next period)                           |

## REFORMS IN FOCUS: REFORM MONITOR POLICY DOMAINS

| Energy and Green Transition                         |                                                                                                                                                                                                                       |                                                                   |
|-----------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|
| Renewables                                          | Development of transparent and competitive procedures for the deployment of renewable energy                                                                                                                          | 2/3 steps (2 in the grace period, 1 in the next period)           |
| Market reforms                                      | Implementation of the Energy Efficiency Directive and the Energy Performance in Buildings Directive                                                                                                                   | 0/3 steps (1 due, 2 in the next period)                           |
| Human Capital                                       |                                                                                                                                                                                                                       |                                                                   |
| Vocational education and training (VET)             | Align education, with labour market needs through close cooperation with the business community and through revising the legal framework on VET and adult education and increasing work-based learning in VET schools | 2/6 steps (1 in the grace period, 1 due, 4 in the next period)    |
| Business Environment and Private Sector Development |                                                                                                                                                                                                                       |                                                                   |
| Competition policy /State aid                       | Facilitate investments of private sector and improve mechanisms to attract FDI in strategic sectors promoting adoption of higher value-added products and services and innovation                                     | 4/6 steps (3 in the grace period, 1 due, 2 in the next period)    |
| State-owned enterprises (SOEs)                      | Improve the governance, efficiency, and accountability of Publicly-Owned Enterprises (POEs) to enhance their contribution to the economy                                                                              | 2/3 steps (1 in the grace period, 1 due and 1 in the next period) |

Any country aspiring to join the European Union must fulfill the Copenhagen criteria regarding the rule of law, democracy, and a functioning market economy. Historically, the latter two have proven easier to achieve in candidate countries than the first. For this reason, in every accession negotiation process to date, Chapters 23 and 24, which address the rule of law, have been opened first and closed last, underscoring the weight the EU places on a well-functioning justice system. Consequently, Kosovo will also need to undertake the majority of its reforms in this sector to ensure smooth accession negotiations whenever they commence.

The main focus of policy measures under Judicial Reforms during the fourth reporting period was the further overhaul of the judicial system. This was to be achieved by enhancing accountability among the leadership of the Kosovo Judicial Council (KJC) and the Kosovo Prosecutorial Council (KPC) through periodic reporting, as well as establishing a National Secretariat to coordinate efforts against domestic violence.

In previous reporting periods, key reforms included the comprehensive utilization of the Case Management Information System (CMIS) across the judiciary, the implementation of integrity checks for judges and prosecutors, the adoption of the Civil Code, the operationalization of the Translation Unit within the Office of the Prime Minister, the introduction of new measures in the Assembly's Rules of Procedure, and the alignment of visa policy by terminating the visa-free regime with at least one third country requiring an EU visa. The overarching purpose of these reforms is to accelerate Kosovo's adoption of the EU *acquis* by establishing a functional judicial system and enhancing its legal framework.

Due to the political deadlock that characterized much of 2025 and 2026, minimal progress was made, particularly on reforms requiring legislative approval, such as the Civil Code. While the first official reporting to the European Commission brought a substantial increase in effort toward fulfilling these obligations, the grace period for the June 2025 reform step regarding integrity checks in the judiciary nevertheless expired, resulting in irreversible financial losses.

| Reforms<br>Reform steps                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Deadline<br>(due in) | Implementation<br>status                            | Reform Monitor<br>findings                                                                                                                                                                                                                                                                                                                                                  |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|-----------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Improve the performance, integrity, accountability and efficiency of the judiciary, including by implementing the Joint Commitment Statement                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                      |                                                     |                                                                                                                                                                                                                                                                                                                                                                             |
| Reinforcing the monitoring and reporting mechanism to ensure the full and effective use of the Case Management Information System (CMIS), based on accountability and linked to disciplinary measures.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Dec 2024             | EC assessment pending – Grace period until Dec 2026 | The KJC has adopted a regulation to make the use of CMIS compulsory. The working group conducts regular reports on platform usage. The KJC has taken disciplinary measures against an official for the failure to use it. KPC also recently adopted a regulation on CMIS' use, yet in reality there are serious short-comings in its implementation.                        |
| Ensure effective integrity checks in line with European standards through the regular full verification of the assets declarations of judges and prosecutors by the Agency for the Prevention of Corruption, including by crosschecking the information with relevant institutions; amend the Law on disciplinary liability of judges and prosecutors to address the findings of the TAIEX peer review mission, including by introducing a specialized investigation body; improve the recruitment system by strengthening the current mechanisms for background verification of candidates, including by clarifying its scope and procedures. Ensure that the legislative reforms implementing the Joint Commitment Statement are aligned with European Standards; and allowing sufficient time for their consultation and review to this end. | Jun 2025             | EC assessment pending – Grace period until Jun 2026 | A new law on disciplinary measures was not adopted, despite a transparent consultation process. The draft text includes a special investigative body. The APC has instituted a policy of full verification of annual asset declarations by every judge and prosecutor every three years, ensuring verification of at least a third of all judges and prosecutors each year. |
| Adopt the Civil Code                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Dec 2025             | EC assessment pending – Grace period until Dec 2026 | The Civil Code was introduced in the Assembly, but it failed to receive the necessary majority vote. Therefore, the draft is to be resubmitted to the newly constituted assembly.                                                                                                                                                                                           |
| Enhance accountability of court presidents and chief prosecutors in the functioning and management of courts and prosecution offices, including by introducing case processing monitoring, performance analyses of courts and prosecution offices, and reports on budget and staff needs.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Jun 2026             | EC assessment pending                               | The KJC and KPC published their quarterly and annual reports addressing some of the requirements of this reform step.                                                                                                                                                                                                                                                       |

## REFORM: IMPROVE THE PERFORMANCE, INTEGRITY, ACCOUNTABILITY AND EFFICIENCY OF THE JUDICIARY, INCLUDING BY IMPLEMENTING THE JOINT COMMITMENT STATEMENT

- ***Reinforcing the monitoring and reporting mechanism to ensure the full and effective use of the Case Management Information System (CMIS), based on accountability and linked to disciplinary measures - December 2024 - EC assessment pending***

This reform step aims to improve the accountability of the judicial system by enhancing the use of the Case Management Information System (CMIS). CMIS is a centralized digital platform that ensures transparency by enabling the virtual management and tracking of cases. The system is designed to assign cases to judges and prosecutors on a completely random basis. To implement this reform step, the Kosovo Judicial Council (KJC) and the Kosovo Prosecutorial Council (KPC) must adopt regulations making the use of CMIS mandatory and establish disciplinary measures for failure to comply.

The Kosovo Judicial Council has taken steps to fulfill this reform step by adopting an internal regulation that makes the use of CMIS obligatory. The KJC has published its official Regulation on the Use of the Case Management Information System (CMIS).<sup>13</sup> According to a response to a freedom of information (FOI) request, the KJC reported that it is actively monitoring judges' use of CMIS and has taken disciplinary action for non-compliance, which so far includes written admonitions.<sup>14</sup> A Council of Europe report confirms that, as of 2024, CMIS is operational across all courts in Kosovo.<sup>15</sup>

In a response to an FOI request sent to the KPC,<sup>16</sup> the institution stated that between 1 January 2025 and 9 June 2026, a period of roughly a year and a half, 64,463 cases were entered into the CMIS. On 14 April 2026, the KPC created a working group to monitor the functioning and implementation of the CMIS. This working group conducted field visits to several local prosecution offices and subsequently compiled a report aimed at improving the system's usage. As a result, a new working group was established on 18 May 2026 to amend the 2021 regulation regarding CMIS usage, an effort that remains ongoing.

13 Kosovo Judicial Council, Regulation No. 11/2023 on the Use of the Case Management Information System, 28 December 2023, [https://www.gjyqesori-rks.org/wp-content/uploads/lgs/12858\\_KGJK\\_Rregullore\\_Nr\\_11\\_2023\\_per\\_perdorimin\\_sistemit\\_per\\_menaxhimin\\_informativ\\_te\\_jendeve.pdf](https://www.gjyqesori-rks.org/wp-content/uploads/lgs/12858_KGJK_Rregullore_Nr_11_2023_per_perdorimin_sistemit_per_menaxhimin_informativ_te_jendeve.pdf).

14 Kosovo Judicial Council, "Response to Freedom of Information Request," August 3, 2026.

15 Council of Europe, HFIII: Towards a Better Evaluation of the Results of Judicial Reform Efforts in the Western Balkans "DASHBOARD Western Balkans" – Kosovo – Deliverable 2, July 9, 2025, <https://www.coe.int/documents/29148167/293219271/Kosovo+-+deliverable+2.pdf/c1ba96b8-9669-c6c2-bdba-050dabfe46b2?t=1764255061487>.

16 Kosovo Prosecutorial Council, "Response to Freedom of Information Request," July 21, 2026.

Furthermore, the KPC approved a new sub-legal act, the Regulation on the Use of CMIS on 22 July 2026.<sup>17</sup> However, the institution has not reported any instances of disciplinary measures taken against officials for failing to utilize the electronic system.

Despite these positive developments, challenges surrounding the full implementation of the system persist. While the European Commission's 2025 Country Report praised CMIS,<sup>18</sup> it noted that its usage remains inconsistent across the judicial system, with the Court of Appeals and the Special Prosecution Office lagging behind in particular. Media outlets have also reported that the Special Prosecution Office has failed to utilize the system effectively.<sup>19</sup> Consequently, the KJC and the KPC must address the European Union's concerns regarding the comprehensive adoption of CMIS by December 2026, which marks the end of the grace period for this reform step.

- ***Ensure effective integrity checks in line with European standards through the regular, full verification of asset declarations of judges and prosecutors by the Agency for the Prevention of Corruption, including by cross-checking information with relevant institutions; amend the Law on Disciplinary Liability of Judges and Prosecutors to address the findings of the TAIEX peer review mission, including by introducing a specialized investigative body; and improve the recruitment system by strengthening current mechanisms for candidate background checks, including clarifying their scope and procedures. Ensure that legislative reforms implementing the Joint Commitment Statement are aligned with European standards, allowing sufficient time for consultation and review to this end - June 2025 - EC assessment pending***

For quite some time, there have been discussions regarding the reform of the judicial system and the potential introduction of a vetting process.<sup>20</sup> This was one of the primary promises of the Vetëvendosje Movement during the 2021 elections that brought it to power.<sup>21</sup> The initial promise was to undertake a comprehensive vetting of professional and moral integrity, as well as

17 State Prosecutor's Office of the Republic of Kosovo, Regulation No. 08/2026 on the Management of Cases through the Electronic System (SMIL) in the Prosecutorial System, July 22, 2026, [https://prokuroria-rks.org/uploads/2026/07/7c4f898f-98d5-41fd-a792-7af014ba24fb\\_Rregullore%20Nr.08.2026-P%20C3%ABr%20Menaxhimin%20e%20L%20C3%ABnd%20C3%ABve%20P%20C3%ABrme%20Sistemit%20Elektronik%20\(SMIL\)%20n%20C3%AB%20Sistemin%20Prokurorial%20-%20Nr.1177.2026.pdf](https://prokuroria-rks.org/uploads/2026/07/7c4f898f-98d5-41fd-a792-7af014ba24fb_Rregullore%20Nr.08.2026-P%20C3%ABr%20Menaxhimin%20e%20L%20C3%ABnd%20C3%ABve%20P%20C3%ABrme%20Sistemit%20Elektronik%20(SMIL)%20n%20C3%AB%20Sistemin%20Prokurorial%20-%20Nr.1177.2026.pdf).

18 European Commission, Kosovo Report 2025, November 4, 2025, [https://enlargement.ec.europa.eu/document/download/127563ea-4c03-44a4-b56c-2d569afd86a5\\_en?filename=kosovo-report-2025.pdf](https://enlargement.ec.europa.eu/document/download/127563ea-4c03-44a4-b56c-2d569afd86a5_en?filename=kosovo-report-2025.pdf).

19 Koha.net, "Milion euro për SMIL dështojnë në PSRK, ndarja e lëndëve ende manualisht," [Millions of euros for CMIS fail, cases are still distributed manually]. March 29, 2025, <https://www.koha.net/betimi-per-drejtessi-ktv/miliona-euro-smil-deshtojne-ne-psrk-ndarja-e-lendeve-ende-manualisht>.

20 Stanford Law School, "Judicial Vetting in Kosovo," May 1, 2023, <https://law.stanford.edu/publications/judicial-vetting-in-kosovo/>.

21 Group for Legal and Political Studies, "Vetting in the Judiciary: What Should We Expect?" December 20, 2022, <https://legalpoliticalstudies.org/vetting-in-the-judiciary-what-should-we-expect/>

asset declarations across the judicial system, similar to Albania's experience, which saw its entire judiciary undergo the most extensive vetting procedure in post-communist history.<sup>22</sup> While this specific reform step is not as exhaustive as the original concept, it does introduce targeted vetting procedures by verifying the assets of judges and prosecutors, conducting background checks for new appointments, and amending the existing law on the disciplinary liability of judges and prosecutors.

The Ministry of Justice (MoJ) has been working on amending the Law on Disciplinary Liability of Judges and Prosecutors since before the inception of the Growth Plan. Additionally, the MoJ drafted the Draft Law on Recruitment, Performance Evaluation, Integrity Control, and Status of Judges and Prosecutors.<sup>23</sup> The initial draft was submitted for review to the Council of Europe's Venice Commission, which published its opinion on 15 January 2025.<sup>24</sup> The opinion welcomed the reform efforts while recommending that integrity checks for senior judicial members be refined and procedural safeguards strengthened. Following this, the updated draft was issued for public consultation between 2 and 28 April 2026.<sup>25</sup> During this process, several civil society organizations submitted comments advocating for stricter selection and evaluation standards. However, the government did not forward this Draft Law to the 10th legislature of the Kosovo Assembly, which was active for a mere 76 days in 2026, leaving the legislation unapproved. The text of the draft law includes the creation of a specialized investigative body, under which a dedicated investigative committee would be formed whenever serious disciplinary misconduct is alleged against a judge or prosecutor.

Another sub-step of this reform is assigned to the Agency for the Prevention of Corruption (APC), operating under the 2022 Law on the Agency for Prevention of Corruption.<sup>26</sup> Under this framework, the Agency is tasked with implementing the Law on Declaration, Origin, and Control of Assets and Gifts. In this capacity, the APC has instituted a policy of verifying the assets of judges and prosecutors every three years. In its 2025 annual report submitted to the Kosovo Assembly, the APC stated that 567 out of 570 officials from the KJC and

22 Blerina Bulica, "Lessons from Albania's Judicial Vetting for Transitional Societies," International Journal for Court Administration, July 28, 2026, <https://iacajournal.org/articles/10.36745/ijca.793>.

23 Venice Commission, Draft Law on Recruitment, Performance Evaluation, Integrity Control and Status of Judges and Prosecutors, CDL-AD(2025)010, 2025, [https://www.venice.coe.int/webforms/documents/default.aspx?pdffile=CDL-AD%5C\(2025%5C\)010-e](https://www.venice.coe.int/webforms/documents/default.aspx?pdffile=CDL-AD%5C(2025%5C)010-e).

24 Venice Commission, Kosovo – Draft Law Amending the Law on the Disciplinary Liability of Judges and Prosecutors (Consolidated Version), 2025, <https://www.coe.int/en/web/venice-commission/-/kosovo-draft-law-amending-the-law-on-the-disciplinary-liability-of-judges-and-prosecutors-consolidated-version>.

25 Government of the Republic of Kosovo, "Public Consultations: Draft Law on Disciplinary Liability of Judges and Prosecutors," April 2, 2026, <https://konsultimet.rks-gov.net/viewConsult.php?Consultation-ID=43006>.

26 Republic of Kosovo, Law No. 08/L-017 on the Agency for Prevention of Corruption, July 21, 2022, <https://md.rks-gov.net/wp-content/uploads/2024/07/244B3660-3E0E-4DA2-B83E-FB1D4C61CE55.pdf>.

231 out of 232 officials from the KPC submitted their asset declarations to the Agency.<sup>27</sup> Regarding the full verification of asset controls, the Agency reported conducting 1,321 full asset verification cases; however, the report does not disaggregate these officials by their respective institutions.<sup>28</sup>

Looking ahead, the adoption of the Draft Law on Disciplinary Liability of Judges and Prosecutors and the publication of detailed asset verification data for judges and prosecutors by the APC remain critical to fully completing this reform step. Although the grace period for this reform step has now expired, it represents one of the most vital pillars within the broader judicial reform agenda. Its complete implementation, even beyond the grace period, remains essential to building a more transparent and accountable justice system and aligning Kosovo with EU standards.

- ***Adopt the Civil Code - December 2025 – EC assessment pending***

This measure seeks to modernize Kosovo's civil law framework by enacting the Civil Code.<sup>29</sup> The adoption of the Civil Code aims to strengthen the stability and unity of the legal framework while optimizing the overall structure of the legal environment.

The main milestone for this reform step required parliamentary approval and entry into legal force by December 2025. As of the cut-off date, the Civil Code had been presented to the Assembly but failed to secure the required votes for passage.<sup>30</sup> Consequently, the legislation was not adopted and did not enter into force within the designated timeframe. Various third parties and external stakeholders, including civil society organizations, issued several statements regarding these developments.<sup>31</sup>

Regardless of the voting procedure, the drafting procedure underwent a wide range of consultations, as, alongside the usual consultation process, the Ministry of Justice working group organized over thirty meetings and events to present the draft and gather ideas.<sup>32</sup> The European Union Office in Kosovo has

27 Agency for Prevention of Corruption of the Republic of Kosovo, Annual Report of the Work of the Agency for Prevention of Corruption for 2025, 2026, <https://apk-rks.net/wp-content/uploads/2026/05/Raportivjetor-i-punes-se-APK-se-per-vitin-2025.pdf>.

28 Agency for Prevention of Corruption of the Republic of Kosovo, "Response to Freedom of Information Request," July 20, 2026.

29 Ministry of Justice of the Republic of Kosovo, Civil Code, <https://md.rks-gov.net/wp-content/uploads/2024/06/82CD15C4-DDBD-4634-9148-826EE93D4017.docx>.

30 Reporteri.net, "The Non-Approval of the Civil Code Has Disappointed Some Members of the Kosovo Assembly," October 13, 2022, <https://reporteri.net/en/NEWS/The-non-approval-of-the-civil-code-has-disappointed-some-members-of-the-Kosovo-Assembly/>.

31 Center for Social Group Development (CSGD), "Letër reagimi ndaj projektit të Kodit Civil," Facebook, <https://www.facebook.com/csgd.kosova/posts/let%C3%ABr-reagimi-ndaj-projektit-t%C3%AB-kodit-civilprojekti-i-kodit-civil-n%C3%AB-kosov%C3%AB-i-ci/4113236035404580/>.

32 Government of the Republic of Kosovo, "Public Consultation: Civil Code," February 22, 2019, <https://konsultimet.rks-gov.net/viewConsult.php?ConsultationID=40578>.

supported this draft and warned that the failure to adopt the Civil Code would have significant drawbacks for Kosovo regarding the Reform Agenda as well.<sup>33</sup>

The Assembly did not discuss this Code in the 10th legislature which was dissolved after only 76 days. The grace period of these reform steps ends in December 2026, beyond which Kosovo can no longer benefit from the financial incentives tied to its implementation. Given that all the preparatory work on this reform step has already been concluded, its adoption in the Assembly represents a 'low hanging fruit' which should be fully utilized.

- ***Enhance accountability of court presidents and chief prosecutors in the functioning and management of courts and prosecution offices, including by introducing case processing monitoring, performance analyses of courts and prosecution offices, and reports on budget and staff needs - June 2026 – EC assessment pending***

Under the Constitution of Kosovo, KJC and KPC are fully independent bodies. Consequently, they maintain internal mechanisms to ensure periodic reporting and performance assessments. The Law on Courts mandates court presidents to submit quarterly and annual written reports identifying immediate challenges and proposing corresponding solutions.<sup>34</sup> Unlike the court system, the Law on State Prosecutor specifies an obligation for annual reports, but imposes no legal requirement for quarterly reporting.<sup>35</sup> This reform step is designed to build upon this existing legal architecture by obliging both the KJC and the KPC to report periodically, incorporating case-processing monitoring, performance analyses, and staffing and budgeting issues.

The Kosovo Judicial Council publishes annual<sup>36</sup> and quarterly<sup>37</sup> reports on the operations of the basic courts. The quarterly reports focus primarily on quantitative aspects of court procedures, such as the volume of cases processed, making them largely statistical in nature. Additionally, they include a budgetary section addressing core expenditures and projecting the future financial requirements of the Council. However, these reports barely address staffing issues, while substantive performance analysis is absent altogether, obscured behind a simple notation that 149 judges underwent performance evaluations.

33 European Union Office in Kosovo, "Civil Code Public Statement," Facebook, March 2, 2022, [https://www.facebook.com/EuropeanUnionInKosovo/posts/326386152861538?ref=embed\\_post](https://www.facebook.com/EuropeanUnionInKosovo/posts/326386152861538?ref=embed_post).

34 Assembly of the Republic of Kosovo, Law No. 06/L-054 on Courts, December 18, 2018, <https://gzk.rks-gov.net/ActDetail.aspx?ActID=18302>.

35 Assembly of the Republic of Kosovo, Law No. 03/L-225 on State Prosecutor, October 29, 2010, <https://gzk.rks-gov.net/ActDocumentDetail.aspx?ActID=2710>.

36 Kosovo Judicial Council, Annual Report on the Judicial System in Kosovo 2025, 2026, [https://www.gjyqesori-rks.org/wp-content/uploads/reports/54520\\_KGJK\\_Raporti\\_Vjetor\\_2025.pdf](https://www.gjyqesori-rks.org/wp-content/uploads/reports/54520_KGJK_Raporti_Vjetor_2025.pdf).

37 Kosovo Judicial Council, Statistical Report on the Work of the Courts: First Quarter 2026, 2026, [https://www.gjyqesori-rks.org/wp-content/uploads/reports/12443\\_KGJK\\_Raporti\\_statistikor\\_tremujorit\\_pare\\_2026\\_mbi\\_punen\\_gjykatave.pdf](https://www.gjyqesori-rks.org/wp-content/uploads/reports/12443_KGJK_Raporti_statistikor_tremujorit_pare_2026_mbi_punen_gjykatave.pdf).

The Kosovo Prosecutorial Council publishes regular annual reports<sup>38</sup>; however, its quarterly reports are not issued consistently, with only a financial report published in 2026.<sup>39</sup> Compared to the KJC's annual report, the KPC's reporting is considerably more quantitative, focusing almost exclusively on case management statistics derived from the number of cases processed. Nevertheless, the KPC produces a separate, dedicated report on prosecutor performance evaluations that is significantly more comprehensive than the KJC's output.<sup>40</sup> Regarding the Reform Agenda, the KPC also published a specialized report monitoring CMIS usage across prosecutorial offices in 2026.<sup>41</sup> However, broader budgetary and staffing requirements remain omitted from these existing publications.

Moving forward, both the KPC and the KJC must consistently publish comprehensive quarterly and annual reports covering case management, financial allocations, staffing requirements, and, most importantly, thorough performance analyses. While the KJC is more consistent in releasing quarterly reports, the KPC has successfully produced specialized reports on performance evaluation and CMIS implementation. To fulfill this reform step, the KJC needs to address its budgetary and staffing constraints more concretely in its reporting, while the KPC needs to regularly publish its quarterly reports.

- 38 Kosovo Prosecutorial Council, Annual Report of the State Prosecutor for 2025, 2026, [https://prokuroria-rks.org/uploads/2026/06/c1ca92bb-7b2d-477d-99ba-b551067e26af\\_RAPORTI%20VJETOR%20I%20PROKURORIT%20TE%20SHTETIT%202025-FINAL.pdf](https://prokuroria-rks.org/uploads/2026/06/c1ca92bb-7b2d-477d-99ba-b551067e26af_RAPORTI%20VJETOR%20I%20PROKURORIT%20TE%20SHTETIT%202025-FINAL.pdf).
- 39 Kosovo Prosecutorial Council, Financial Report for the First Quarter of 2026, 2026, [https://prokuroria-rks.org/uploads/2026/06/023a7ff1-3e8e-483f-9dcc-174ffbf9f92b\\_Raport%20financiar%20i%20KPK-s%20C3%AB%20p%20C3%ABr%20periudh%20C3%ABn%20janar-mars%202026.pdf](https://prokuroria-rks.org/uploads/2026/06/023a7ff1-3e8e-483f-9dcc-174ffbf9f92b_Raport%20financiar%20i%20KPK-s%20C3%AB%20p%20C3%ABr%20periudh%20C3%ABn%20janar-mars%202026.pdf).
- 40 Kosovo Prosecutorial Council, 2026 Performance Evaluation Program, 2026, [https://prokuroria-rks.org/uploads/2026/06/f44e7ac7-c01a-4903-abf2-16f742eec5b9\\_PROGRAMI%20I%20VLERESIMIT%20TE%20PERFORMANCES%20PER%20VITIN%202026.pdf](https://prokuroria-rks.org/uploads/2026/06/f44e7ac7-c01a-4903-abf2-16f742eec5b9_PROGRAMI%20I%20VLERESIMIT%20TE%20PERFORMANCES%20PER%20VITIN%202026.pdf).
- 41 Kosovo Prosecutorial Council, Report on the Monitoring of the Use of the Case Management Information System (CMIS), 2026, [https://prokuroria-rks.org/uploads/2026/06/a6f6a4b5-9952-461b-bbc8-b19e9130762e\\_Raport%20p%20C3%ABrmbledh%20C3%ABs%20mbi%20monitorimin%20e%20zbatimit%20t%20C3%AB%20Rregullores%20Nr.%2003.2021%20p%20C3%ABr%20menaxhimin%20e%20I%20C3%ABnd-%20C3%ABve%20p%20C3%ABrmes%20sistemit%20elektronik%20SMIL.pdf](https://prokuroria-rks.org/uploads/2026/06/a6f6a4b5-9952-461b-bbc8-b19e9130762e_Raport%20p%20C3%ABrmbledh%20C3%ABs%20mbi%20monitorimin%20e%20zbatimit%20t%20C3%AB%20Rregullores%20Nr.%2003.2021%20p%20C3%ABr%20menaxhimin%20e%20I%20C3%ABnd-%20C3%ABve%20p%20C3%ABrmes%20sistemit%20elektronik%20SMIL.pdf).

Reforms in the *Fight Against Corruption* primarily focused on improving Kosovo's institutional preparedness to address corruption. This issue remains one of the most frequently cited in successive Country Reports issued by the European Commission, and a serious approach is needed to credibly tackle corruption.

Key reform steps scheduled for this reporting period include an increase in the number of cases that the Agency for the Prevention of Corruption forwards to prosecution, as well as an increase in the number of whistleblowing reports. Across other reporting periods, key anti-corruption reforms encompass the adoption of the Anti-Corruption Strategy, reducing the processing time for corruption and organized crime cases to a maximum of one year, and increasing the number of indictments and investigations in high-level corruption cases. The political crisis that characterized much of 2025 and 2026 has also taken its toll on these reforms, with only the APC demonstrating improved performance, owing to its independent and non-political mandate.

| Reforms<br>Reform steps                                                                                                                                                                                                                                 | Deadline<br>(due in) | Implementation<br>status                            | Reform Monitor findings                                                                                                                                                                              |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|-----------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Improve the efficiency to fight corruption through prevention and repression and by improving the strategic framework                                                                                                                                   |                      |                                                     |                                                                                                                                                                                                      |
| Adopt an Anti-Corruption Strategy for 2024–2027, in line with European best practices and standards and national constitutional principles and including annual action plans with measurable objectives and a reporting mechanism on its implementation | Dec 2024             | EC assessment pending – Grace period until Dec 2026 | The OPM prepared a draft for the strategy, yet it was not properly consulted with the public. A new draft has been prepared and it needs to undergo proper and comprehensive public consultations.   |
| Increase the number of whistleblowing reports processed by the Agency (by 30% compared to 2024)                                                                                                                                                         | Jun 2025             | EC assessment pending – Grace period until Jun 2026 | There was a 140% increase in cases reported to the APC by 2024 and 360% by 2025. A 50% increase in cases forwarded to the prosecution.                                                               |
| Increased number of cases notified to prosecution office by the Agency for Prevention of Corruption (by 30% compared to 2023 baseline) in 2025; 15% of anti-corruption legislation assessed; and 50% of integrity plans reviewed                        | Jun 2026             | EC assessment pending                               | APC has increased the number of cases notified to the prosecutor's office by 57%. 10 new legal and sublegal acts in the anti-corruption field were assessed while 108 integrity plans were reviewed. |

## REFORM: IMPROVE THE EFFICIENCY TO FIGHT CORRUPTION THROUGH PREVENTION AND REPRESSION, AND BY IMPROVING THE STRATEGIC FRAMEWORK

- ***Adopt an Anti-Corruption Strategy for 2024–2027, in line with European best practices and standards and national constitutional principles and including annual action plans with measurable objectives and a reporting mechanism on its implementation – December 2024 - EC assessment pending***

The Government of Kosovo initiated procedures to adopt an Anti-Corruption Strategy for the 2024–2027 period prior to the formal adoption of the Reform Agenda. To that end, a draft was put out for public consultation; however, it was made available for only 13 days, between 12 and 25 December 2024.<sup>42</sup> This abbreviated consultation period contravened the government's own regulation, which requires a minimum of 15 working days.<sup>43</sup> Since then, no further progress has been recorded because, under the Law on Government, a caretaker administration cannot adopt a new strategy.<sup>44</sup> Additionally, the government has yet to address numerous substantive concerns raised by civil society organizations and the European Union.<sup>45</sup>

Primary criticisms include the absence of a fully developed action plan with clearly defined measures. Furthermore, while the draft references a monitoring mechanism, it fails to clarify its operational functionality or delineate its specific responsibilities. GLPS highlighted several major shortcomings, including a lack of digital infrastructure required to execute intended reforms, inadequate measures to address corruption within public administration, and public procurement reforms that lack clarity on how proposed interventions will strengthen oversight and mitigate corruption risks.<sup>46</sup> Moreover, the draft failed to incorporate substantial comments provided by the EU, leaving key areas insufficiently addressed, including conflict of interest management, private-sector corruption, and international judicial cooperation.

42 Government of the Republic of Kosovo, "Public Consultation: Draft State Anti-Corruption Strategy 2024–2027 and Action Plan," December 12, 2024, <https://konsultimet.rks-gov.net/viewConsult.php?ConsultationID=42732>.

43 Government of the Republic of Kosovo, Regulation (GRK) No. 17/2024 on Rules of Procedure of the Government of the Republic of Kosovo, June 21, 2024, <https://gzk.rks-gov.net/ActDetail.aspx?ActID=15036>.

44 Assembly of the Republic of Kosovo, Law No. 08/L-117 on Government of the Republic of Kosovo, November 18, 2022, <https://gzk.rks-gov.net/ActDetail.aspx?ActID=66686>.

45 Betimi për Drejtësi, "Saga e Strategjisë Kundër Korrupsionit," [Anti-Corruption Strategy Saga] January 25, 2025, <https://betimiperdrejtesi.com/saga-e-strategjise-kunder-korrupsion/>.

46 Group for Legal and Political Studies (GLPS), "GLPS Comments for the Anti-Corruption Strategy," December 25, 2024, <https://konsultimet.rks-gov.net/Storage/Contributions/10-56-32-25122024/full%20comment.doc>.

During the first meeting of the RGF Monitoring Committee, officials from the Office of the Prime Minister (OPM) reported working on a revised draft strategy aimed at resolving the issues raised by the EU and civil society. Redrafting the document entirely represents the only viable solution to correct the deficiencies of the current text. The new draft must undergo inclusive public consultation procedures to effectively incorporate feedback from civil society organizations and other key stakeholders prior to its adoption by the incoming government. As the grace period for this reform step ends in December 2026, the OPM must intensify its efforts to ensure compliance within the mandatory timeframe.

- ***Increase the number of whistleblowing reports processed by the Agency (by 30% compared to 2024). – June 2025 - EC assessment pending***

This reform step aims to enhance the accountability of public officials by incentivizing potential whistleblowers to report misconduct. In response to a freedom of information (FOI) request, APC reported that it successfully achieved the intended benchmark by the end of 2024.<sup>47</sup> In 2024, the APC processed a total of 48 reports, marking a 140% increase over the previous period. To enhance accessibility, the APC developed an online platform and trained designated officials across institutions to manage and monitor whistleblowing cases.<sup>48</sup> Furthermore, with the support of GLPS, the Agency launched a mobile application to facilitate reporting. Additionally, the APC conducted at least 10 training sessions for public officials to raise awareness regarding their rights and protection mechanisms.

This positive trajectory continued into 2025, with the APC receiving a total of 92 new whistleblowing reports, nearly doubling its 2024 total. Its 2025 annual report highlights numerous additional training sessions held to inform civil servants of their rights and obligations.<sup>49</sup> The European Commission enforces the irreversibility principle under the RGF, meaning it will continue to monitor implemented reform steps beyond their nominal reporting period and will apply corrective measures if a previously fulfilled reform undergoes any regression. In this context, the sustained increase in whistleblowing reports processed by the APC serves as a strong positive benchmark for other institutions implementing their respective reform steps.

<sup>47</sup> Ibid. 29.

<sup>48</sup> Group for Legal and Political Studies, "CorrWatch Launches a Mobile App 'CorAlert,' Enabling Public Officials to Report Potential Corruption and Violations in the Public Sector," [DATE], <https://legalpoliticalstudies.org/corrwatch-launches-a-mobile-app-corralert-enabling-public-officials-to-report-potential-corruption-and-violations-in-the-public-sector/>.

<sup>49</sup> Ibid. 28.

- ***Increased number of cases notified to prosecution office by the Agency for Prevention of Corruption (by 30% compared to 2023 baseline) in 2025; 15% of anti-corruption legislation assessed; and 50% of integrity plans reviewed - June 2026 - EC assessment pending***

The Agency for the Prevention of Corruption annually collects asset declarations from public officials as mandated by law, verifying roughly 20% of these submissions on a randomized basis. While this procedure provides the Agency with critical information regarding potential irregularities and conflicts of interest, it lacks the legal mandate to conduct formal investigations or impose disciplinary sanctions on non-compliant officials. In cases involving severe statutory violations, the Agency is legally required to refer the matter to the prosecution, which may then proceed with formal criminal or administrative charges.

According to the APC's 2025 annual report, the Agency forwarded 99 cases to the prosecution for serious violations.<sup>50</sup> This represents a 57.1% increase over the 2023 baseline, thereby comfortably fulfilling the benchmark established for this reform step. In response to a FOI request, the APC further noted that in 2025 it evaluated 3 primary laws and 7 sub-legal acts within the anti-corruption framework, while reviewing 108 institutional integrity plans submitted by public entities. However, the institution does not maintain precise disaggregated data for all cases processed within specific sub-periods.

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50 Ibid. 28.

The *Fight against organized crime* has long been one of the primary priorities of the Government of Kosovo, as it undermines the rule of law, impairs public administration and service delivery, and delays Kosovo’s European integration path. In the Reform Agenda, three reform steps are dedicated to this domain, namely: the adoption of a Strategy Against Organized Crime accompanied by corresponding legal and administrative adjustments; an increase in the value of frozen and confiscated assets; and an increase in the number of financial investigations and complex organized crime cases. While the political crisis of 2025 and 2026 hampered progress toward the formal adoption of the strategy, both the KPC and the KJC reported an increase in the value of frozen assets.

| Reforms<br>Reform steps                                                                                                                                                                                                                                                                                                  | Deadline<br>(due in) | Implementation<br>status                            | Reform Monitor findings                                                                                                                                                                               |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|-----------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Effectively implement police organizational structure allowing for intelligence-led approach to fight organized crime, implement strategic approach to fighting organized crime and improve multi-disciplinary cooperation in complex cases, leading to increase in convictions.                                         |                      |                                                     |                                                                                                                                                                                                       |
| Strategy for fighting organised crime adopted, focusing on strengthening institutional cooperation, financial investigations and intelligence capacities; confiscation fund is established; establishment of intelligence structures at police regional and central level with sufficient human and technical resources. | Jun 2025             | EC assessment pending – Grace period until Jun 2026 | The strategy was not adopted by the government. A working group was established in October 2024. An inter-institutional coordination mechanism is included. A confiscation fund has not been created. |
| An increase in the overall value of seizures, freezing and confiscations of the proceeds of crime is demonstrated                                                                                                                                                                                                        | Jun 2026             | EC assessment pending – Grace period until Jun 2026 | There was an increase in the value of seizures and freezing by 32%, while a decrease of 93% was recorded for the value of confiscated assets.                                                         |

## REFORM: IMPROVE THE EFFICIENCY TO FIGHT CORRUPTION THROUGH PREVENTION AND REPRESSION, AND BY IMPROVING THE STRATEGIC FRAMEWORK

- ***Strategy for fighting organised crime adopted, focusing on strengthening institutional cooperation, financial investigations and intelligence capacities; confiscation fund is established; establishment of intelligence structures at police regional and central level with sufficient human and technical resources - June 2025 - EC assessment pending***

Kosovo adopted its previous strategy against organized crime in 2018,<sup>51</sup> covering the period up to 2022. Since then, the government has been working on drafting and adopting a new strategy. In response to a FOI request, the Ministry of Internal Affairs clarified that the working group tasked with drafting the strategy was established in October 2025.<sup>52</sup> This working group meets periodically and has produced a preliminary draft, which is currently undergoing the government's internal consultation process and is expected to be issued for public consultation shortly.

As a sub-step toward fulfilling this reform step, the government established a confiscation fund on 30 June 2026,<sup>53</sup> the very last day of the fourth reporting period. Furthermore, the new Regulation on the Internal Organization and Systematization of Work Positions<sup>54</sup> established dedicated intelligence structures at both the regional and central levels; to date, more than half of these positions have been filled. However, it remains unclear whether these units possess the necessary technical resources to perform their functions effectively.

Although the grace period for this reform step has expired, making it impossible to claim the associated financial incentives, the incoming government should treat the adoption of this strategy as a top priority, given the critical importance of combating organized crime for the country's future. The strategy must undergo a transparent public consultation process to allow civil society organizations and citizens to provide input. Furthermore, all specialized intelligence structures should be fully staffed and equipped with the requisite technical tools. The complete implementation of this reform will fundamen-

51 Government of the Republic of Kosovo, "State Strategy and Action Plan against Organized Crime 2018–2022," 2018, <https://mpb.rks-gov.net/Uploads/Documents/Pdf/EN/48/STATE%20STRATEGY%20AND%20ACTION%20PLAN%20AGAINST%20ORGANIZED%20CRIME%202018%20%E2%80%93%202022.pdf>.

52 Ministry of Internal Affairs of the Republic of Kosovo, "Response to Freedom of Information Request," July 13, 2026.

53 Government of the Republic of Kosovo, "Decisions of the 26th Government Meeting," 2026, <https://kryeministri.rks-gov.net/wp-content/uploads/2026/06/Vendimet-e-mbledhjes-se-26-te-te-Qeverise.pdf>.

54 Ministry of Internal Affairs, "Regulation (MIA) No. 02/2023 on the Organization and Systematization of Working Positions of Kosovo Police in the Republic of Kosovo," December 14, 2023, <https://gzk.rks-gov.net/ActDetail.aspx?ActID=84722>.

tally strengthen the fight against organized crime while aligning Kosovo's legal framework more closely with the EU *acquis*.

**REFORM: EFFECTIVELY IMPLEMENT POLICE ORGANIZATIONAL STRUCTURE ALLOWING FOR INTELLIGENCE-LED APPROACH TO FIGHT ORGANIZED CRIME, IMPLEMENT STRATEGIC APPROACH TO FIGHTING ORGANIZED CRIME AND IMPROVE MULTI-DISCIPLINARY COOPERATION IN COMPLEX CASES, LEADING TO INCREASE IN CONVICTIONS**

- ***An increase in the overall value of seizures, freezing and confiscations of the proceeds of crime is demonstrated - June 2026 - EC assessment pending***

One of the most critical elements in combating organized crime and corruption is the freezing, seizure, and confiscation of assets obtained through illicit means, serving both as a penalty for offenders and as a powerful deterrent. Between 2021 and 2023, courts froze or seized an annual average of 40.9 million euros in assets, while confiscating an additional 8.3 million euros.<sup>55</sup> This reform step was designed to incentivize judicial authorities to further scale up the value of seizures and confiscations to intensify the crackdown on organized crime.

According to figures provided by the Kosovo Prosecutorial Council, law enforcement authorities seized or froze 48.3 million euros in assets in 2024, with that figure rising to 64 million euros in 2025.<sup>56</sup> These data reflect an 18% increase in 2024 and a further 32% increase the following year. Conversely, actual confiscated assets totaled 2 million euros in 2024 and just 0.56 million euros in 2025. Compared to the 2021–2023 baseline average, 2025 saw a sharp 93% decline in the value of confiscated assets. It should be noted that the baseline average for confiscations was heavily influenced by 2023, when confiscations peaked at 23.6 million euros, whereas 2022 recorded only 0.67 million euros. Thus, while records indicate a steady rise in frozen and seized assets, they simultaneously show a steep decline in finalized confiscations.

As it currently stands, this reform step cannot be considered successfully fulfilled. While individual cases vary and courts cannot confiscate assets solely to meet a policy benchmark, both the KJC and the KPC should identify concrete measures within the remaining grace period to reverse this decline and increase the overall value of asset confiscations.

<sup>55</sup> Office of the Prime Minister of the Republic of Kosovo, "Kosovo Reform Agenda 2024–2027," October 2024, <https://kryeministri.rks-gov.net/wp-content/uploads/2024/10/RGF-Kosovo-Reform-Agenda.pdf>.

<sup>56</sup> Kosovo Prosecutorial Council, "Response to Freedom of Information Request," July 21, 2026.

Reforms in *Digital Public Services* aim to modernize public service delivery for citizens by expanding digitalization across all administrative sectors. Recognizing the growing importance of this domain within the European Union, Kosovo recently separated the Ministry of Public Administration from the Ministry of Internal Affairs, formally integrating digitalization into the new ministry's mandate. Alignment with EU standards for digital services will streamline bureaucracy, unlock the country's full economic potential, and accelerate its EU integration path.

Key measures within this domain include phasing out traditional fiscal cash registers and aligning national legislation with the EU Digital Identity Framework. Other key reforms encompass aligning with the EU's Gigabit Infrastructure Act, which aims to facilitate high speed 5G network deployment, and reducing administrative burdens on citizens by systematically reviewing legislation using the newly adopted administrative burden reduction methodology. Additional reform steps include strengthening the interoperability of the Civil Registry with other key government databases, such as the Kosovo Business Registration Agency (KBRA/ABRK), the Tax Administration of Kosovo (TAK), and the Address System (ARIS). They also include standardizing and digitalizing 10 public registers to support the 'once-only' principle, making at least 50% of public services for citizens and businesses available online, and achieving technical readiness to participate in the Western Balkans Digital Identity Wallet.

| Reforms<br>Reform steps                                                                                                                                                                | Deadline<br>(due in) | Implementation<br>status                            | Reform Monitor<br>finding                                                                                                                          |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|-----------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|
| Ensure user-friendly digital public service delivery through administrative burden reduction and improved quality, and increased number of services available online.                  |                      |                                                     |                                                                                                                                                    |
| 100% of the new laws imposing an administrative burden are reviewed in the context of prevention of administrative burden according to the Administrative Burden Reduction methodology | Jun 2025             | EC assessment pending – Grace period until Jun 2025 | 50 out of 52 laws initiated within the time period were reviewed based on lenses of ABR methodology.                                               |
| Elimination of fiscal cash registers and their replacement with fully functional software platform                                                                                     | Jun 2026             | EC assessment pending                               | The Administrative Instruction (AI) to facilitate the software-based fiscalization system has been adopted and is currently being operationalized. |
| E-signature and deployment of digital identity wallet                                                                                                                                  |                      |                                                     |                                                                                                                                                    |
| Compliance with the EU Digital Identity Regulation                                                                                                                                     | Jun 2026             | EC assessment pending                               | Kosovo has a Law on Electronic Identification, but its full implementation requires the adoption of further sub-legal acts.                        |

## ENSURE USER-FRIENDLY DIGITAL PUBLIC SERVICE DELIVERY THROUGH ADMINISTRATIVE BURDEN REDUCTION AND IMPROVED QUALITY AND INCREASED NUMBER OF SERVICES AVAILABLE ONLINE

- ***100% of the new laws imposing an administrative burden are reviewed in the context of prevention of administrative burden according to the Administrative Burden Reduction methodology - June 2025 - EC assessment pending***

In 2025, the Government of Kosovo introduced the Administrative Burden Reduction Programme 2025 to 2028<sup>57</sup> to alleviate administrative hurdles for citizens and businesses, a problem that has persisted over the years. This reform step mandates that all newly proposed laws undergo an administrative burden reduction review developed by the Strategic Planning Office (SPO) within the OPM. Under this framework, draft laws are subject to a structured assessment process using a new methodology designed to identify potential administrative hurdles, streamline regulatory requirements, and eliminate redundant bureaucracy.

According to the response to a freedom of information request submitted to the OPM,<sup>58</sup> the government proposed 52 new laws in 2024, 50 of which were evaluated under the new methodology. Achieving a review rate above 96%, this output indicates substantial progress toward implementing this reform step. During the first meeting of the RGF Monitoring Committee, the OPM reported that 16 laws have been initiated thus far in 2026, noting that no laws were passed in 2025 due to parliamentary inaction, 15 of which were reviewed using the ABR methodology. This high implementation rate aligns with the irreversibility principle, which requires sustained application of reform measures beyond their formal cut off dates.

Although the reform step has demonstrated solid progress and its formal grace period has expired, as a matter of good governance, the SPO staff should also evaluate legislative proposals against gender sensitive indicators developed by the Agency for Gender Equality. These guidelines mandate that new legislation be assessed through a gender sensitive lens to ensure it creates no additional structural barriers for women.

57 Government of the Republic of Kosovo, "Administrative Burden Prevention and Reduction Programme 2025–2028," 2025, <https://kryeministri.rks-gov.net/wp-content/uploads/2025/01/Administrative-Burden-Prevention-and-Reduction-Programme-2025-2028-ENG.docx>.

58 Office of the Prime Minister of the Republic of Kosovo, "Response to Freedom of Information Request," May 26, 2025.

- ***Elimination of fiscal cash registers and their replacement with fully functional software platform - June 2026 - EC assessment pending***

Traditional fiscal cash registers have placed a heavy financial burden on businesses in Kosovo for over a decade.<sup>59</sup> Any business operating in Kosovo was required to purchase a physical cash register, with costs starting from 220 euros and above. Although their elimination was publicly promised and discussed for years, little progress was achieved until recently.

The Ministry of Finance published Administrative Instruction MFPT No 01 2025 on the Use of Electronic Fiscal Devices, Fiscal Systems and Electronic Fiscal Software,<sup>60</sup> effectively relieving businesses of this obligation and transitioning fiscalization to a fully electronic system. However, the Supreme Court annulled this decision on 7 July 2025 on the grounds that the Acting Minister of Finance, simultaneously held a parliamentary mandate, violating the principle of separation of powers.<sup>61</sup> The measure was subsequently re-adopted by the Ministry in April 2026,<sup>62</sup> roughly one year after the initial attempt. With the procedural issues resolved, the Administrative Instruction entered into force without legal challenge.

The drafting process involved a transparent consultation procedure with stakeholders,<sup>63</sup> primarily tech and retail businesses operating in the sector. Neither civil society organizations nor the EU Office participated in this phase. Over three dozen technical comments were submitted and incorporated into the final text. The Tax Administration of Kosovo (TAK) is currently preparing the software system designed to replace physical cash registers.<sup>64</sup> While neither the Ministry of Finance nor the TAK plans an immediate, outright ban on physical devices, it is anticipated that superior electronic software solutions will naturally phase out the older hardware models over time.

59 Buletini Ekonomik, "Fiscal Cash Register Monopoly: TAK Continues to Keep Two Companies with the Same Owners Licensed," July 2023, <https://buletiniekonomik.com/2023/07/monopoli-me-arka-fiskale-atk-vazhdon-ti-mbaje-te-licencuara-dy-kompani-me-pronare-te-njejte/>.

60 Ministry of Finance, Labour and Transfers of the Republic of Kosovo, "Administrative Instruction (MFPT) No. 01/2025 on the Use of Electronic Fiscal Devices, Fiscal Systems and Electronic Fiscal Software," [Abolished] April 16, 2025, <https://gzk.rks-gov.net/ActDetail.aspx?ActID=102922>.

61 Gazeta Express, "Supreme Court Annuls Minister Hekuran Murati's Decision on Fiscal Cash Registers," July 15, 2025, <https://www.gazetaexpress.com/supremja-shfuqizon-vendimin-e-ministrit-hekuran-murati-per-arkat-fiskale/>.

62 Ministry of Finance, Labour and Transfers of the Republic of Kosovo, "Administrative Instruction (MF) No. 01/2026 on the Use of Electronic Fiscal Devices, Fiscal Systems and Electronic Fiscal Software," April 27, 2026, <https://gzk.rks-gov.net/ActDetail.aspx?ActID=119286>.

63 Ministry of Finance, Labour and Transfers of the Republic of Kosovo, "Administrative Instruction (MFPT) No. XX/2025 on the Use of Electronic Fiscal Devices, Fiscal Systems and Electronic Fiscal Software," March 10, 2025, <https://konsultimet.rks-gov.net/viewConsult.php?ConsultationID=42773>.

64 Tax Administration of Kosovo, "Response to Freedom of Information Request," July 23, 2026.

## REFORM: E-SIGNATURE AND DEPLOYMENT OF DIGITAL IDENTITY WALLET

- ***Compliance with the EU Digital Identity Regulation - June 2026 - EC assessment pending***

One of the most consequential benefits of European Union integration for Kosovo is gaining access to the European Single Market. Although this common market is traditionally viewed through the lens of physical goods and services, the EU's ongoing push for comprehensive digitalization makes digital identity regulation an essential component of full membership. In this context, the Ministry of Economy previously launched the eID Kosovo platform to facilitate digital service delivery.

To formalize this policy, the Government of Kosovo must operationalize the National Electronic Identification System (NEIS). This system will provide secure electronic identification, authentication, digital signature, and electronic seal services for businesses. The legal framework supporting this reform was established through the adoption of the Law on Electronic Identification in 2021.<sup>65</sup> However, the EU has since adopted Regulation 2024 1183, commonly known as the eIDAS 2.0 Regulation.<sup>66</sup> Kosovo must align its legal order with this updated EU regulation, a process that was delayed due to prolonged parliamentary dysfunction. On 24 July 2026, the government approved the Digital Capacity Building Framework for the Government of Kosovo,<sup>67</sup> laying the groundwork for implementation. Furthermore, the Ministry of Digitalization and Public Administration (MDAP) prepared a concept document for a new primary law to ensure full alignment with eIDAS 2.0. The incoming government must proceed with drafting this legislation while ensuring a transparent and inclusive stakeholder consultation process.

This reform step also contains a regional component under which Kosovo committed to joining the Western Balkans Digital Identity Wallet initiative. To advance this objective, Kosovo signed a bilateral agreement with Montenegro on 17 July 2026 for the mutual recognition of digital identities.<sup>68</sup> Nevertheless, the digital transformation of public administrative services faces operational

65 Assembly of the Republic of Kosovo, "Law No. 08/L-022 on Electronic Identification and Trusted Services in Electronic Transactions," December 23, 2021, <https://gzk.rks-gov.net/ActDetail.aspx?ActID=51618>.

66 European Parliament and Council of the European Union, "Regulation (EU) 2024/1183 Amending Regulation (EU) No 910/2014 as Regards Establishing the European Digital Identity Framework," April 11, 2024, <https://eur-lex.europa.eu/eli/reg/2024/1183/oj/eng>.

67 Government of the Republic of Kosovo, "Decisions of the 30th Government Meeting," July 2026, <https://kryeministri.rks-gov.net/wp-content/uploads/2026/07/Vendimet-e-mbledhjes-se-30-te-te-Qeverise.pdf>.

68 Koha.net, "Kosovo and Montenegro Sign Agreement on the Recognition of Trusted Services and Electronic Identification," 17 July 2026, <https://www.koha.net/en/arberi/kosova-e-mali-i-zi-nenshkruajne-mar-reveshje-per-njohjen-e-sherbimeve-te-besuara-e-identifikimit-elektronik>.

hurdles, as evidenced by the fact that the newly established MDAP lacks a functional official portal. During the upcoming grace period, the government must prioritize the adoption of all 10 sub legal acts required to achieve complete fulfillment of this reform step.

*Cybersecurity* is a critical policy domain within the Digital Transition sector, with a targeted focus on strengthening Kosovo's cyber defense capacity. Its primary objectives are developing the national cybersecurity infrastructure and aligning domestic legislation with the latest EU regulatory frameworks. Key reform steps in this domain include operationalizing the national CERT, adopting a new cybersecurity law that is fully aligned with the EU NIS2 Directive, and properly structuring and operationalizing newly established institutions such as the Cyber Security Agency (CSA).

| Reforms<br>Reform steps                                                                                                           | Deadline<br>(due in) | Implementation<br>status | Reform Monitor<br>finding                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|-----------------------------------------------------------------------------------------------------------------------------------|----------------------|--------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Comprehensive framework for cyber resilience (introducing requirements of NIS2 Directive and strengthening relevant institutions) |                      |                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| National and governmental CERTs are operational and reach at least 'accredited' status on TF CSIRT Trusted Introducer             | Jun 2026             | EC assessment pending    | Cybersecurity is a critical policy domain within the Digital Transition sector, with a targeted focus on strengthening Kosovo's cyber defense capacity. Its primary objectives are developing the national cybersecurity infrastructure and aligning domestic legislation with the latest EU regulatory frameworks. Key reform steps in this domain include operationalizing the national CERT, adopting a new cybersecurity law that is fully aligned with the EU NIS2 Directive, and properly structuring and operationalizing newly established institutions such as the Cyber Security Agency (CSA). |

## REFORM: COMPREHENSIVE FRAMEWORK FOR CYBER RESILIENCE (INTRODUCING REQUIREMENTS OF NIS2 DIRECTIVE AND STRENGTHENING RELEVANT INSTITUTIONS)

- ***National and governmental CERTs are operational and reach at least 'accredited' status on TF CSIRT Trusted Introducer - June 2026 - EC assessment pending***

Digitalization policies must progress in tandem with cybersecurity measures to preempt negative and unintended side effects while building public trust. In 2016, Kosovo established KOS CERT<sup>69</sup> as its National Computer Emergency Response Team.<sup>70</sup> Designed as a rapid response mechanism against cyberattacks and large scale network intrusions, KOS CERT was integrated into the Information Society Agency in 2019. Its mandate includes threat monitoring, incident response, and early warning systems. To ensure interoperability with European counterparts, the institution required accredited status from TF CSIRT, the Task Force on Computer Security Incident Response Teams. Such accreditation enables peer European institutions to trust the national CERT, share critical threat intelligence, and coordinate joint responses.

To build a resilient cyber defense framework, Kosovo adopted the National Cybersecurity Strategy 2023-2027,<sup>71</sup> which envisioned the creation of a dedicated Cyber Security Agency (CSA) through specific legislation. The Law on Cybersecurity<sup>72</sup> establishing the agency was passed by the Assembly of Kosovo on 27 February 2023. The law structured the CSA as an executive agency under the authority of the Ministry of Internal Affairs and mandated the incorporation of the national CERT into the CSA structure. As of 7 July 2026, KOS CERT is officially listed as an accredited institution within TF CSIRT.<sup>73</sup>

Despite its formal establishment over three years ago, the CSA is not yet fully functional. An initial recruitment process for the position of Executive Director was launched in 2024,<sup>74</sup> but ended without a successful appointment. A subsequent selection procedure was initiated on 26 April 2026 and remains ongoing.<sup>75</sup> Appointing leadership represents the critical first step toward build-

69 Trusted Introducer, "KOS-CERT," <https://tf-csirt.org/trusted-introducer/directory/teams/kos-cert/>.

70 TF-CSIRT, "Trusted Introducer," <https://tf-csirt.org/trusted-introducer/>.

71 Ministry of Internal Affairs of the Republic of Kosovo, "Cybersecurity Strategy 2023-2027," 2023, <https://mpb.rks-gov.net/Uploads/Documents/Pdf/EN/2692/Strategjia%20p%C3%ABr%20Siguri%20Kibernetike%20-%20ENG..pdf>.

72 Assembly of the Republic of Kosovo, "Law No. 08/L-173 on Cybersecurity," February 27, 2023, <https://gzk.rks-gov.net/ActDetail.aspx?ActID=70933>.

73 Ibid. 72.

74 Ministry of Internal Affairs of the Republic of Kosovo, "Executive Director of the Cyber Security Agency," <https://mpb.rks-gov.net/f/64/109/Drejtor-Ekzekutiv-i-Agjencis%C3%AB-p%C3%ABr-Siguri-Kibernetike>.

75 Ministry of Internal Affairs of the Republic of Kosovo, "Executive Director of the Cyber Security Agency - RN00019642," <https://konkursi.rks-gov.net/advertisement/details?refNumber=RN00019642>.

ing institutional capacity, after which the CSA must recruit qualified personnel through transparent merit based procedures. Only upon achieving full functionality can the CSA effectively absorb KOS CERT. During the grace period ending in December 2026, the government must fully operationalize the CSA and complete the formal integration of KOS CERT into the agency.

Kosovo's energy production remains heavily reliant on coal fired thermal plants, which generate severe pollution and operate with low efficiency.<sup>76</sup> Beyond its environmental impact, this fossil fuel reliance will create substantial economic liabilities as Kosovo advances its European integration path, imposing heavy financial obligations under the EU Emissions Trading System (ETS),<sup>77</sup> which taxes carbon intensive production. Consequently, the Green Transition occupies a central place in the Reform Agenda.

This monitoring update does not assess new reform steps under the fourth reporting period; rather, it reports on developments regarding reform steps initiated in previous reporting periods. These earlier measures included adopting a primary law on the energy regulator, revising secondary legal acts under the climate change framework, streamlining permitting procedures for renewable energy projects, and launching a competitive auction for a 150 MW wind power project. While initial technical progress was recorded across some of these policy areas, the government's caretaker status throughout much of 2025, combined with the prolonged failure to fully constitute the Assembly, severely constrained meaningful advancement.

| Reforms<br>Reform steps                                                                         | Deadline<br>(due in) | Implementation<br>status                            | Reform Monitor findings                                                                                                                                                                                                                     |
|-------------------------------------------------------------------------------------------------|----------------------|-----------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Development of transparent and competitive procedures for the deployment of renewable energy    |                      |                                                     |                                                                                                                                                                                                                                             |
| Announce a 3-year auction plan and launch an auction for the deployment of 150 MW of wind power | Dec 2024             | EC assessment pending – Grace period until Dec 2026 | Although the competitive auction was launched, it fell short of the targeted 150 MW capacity. Consequently, the government must follow up with additional capacity tenders and supporting measures to achieve its renewable energy targets. |
| Simplify permitting procedures for renewable energy projects                                    | Dec 2025             | EC assessment pending – Grace period until Dec 2026 | Although the competitive auction was launched, it fell short of the targeted 150 MW capacity. Consequently, the government must follow up with additional capacity tenders and supporting measures to achieve its renewable energy targets. |

<sup>76</sup> International Energy Agency, "Kosovo – Coal," <https://www.iea.org/countries/kosovo/coal>,

<sup>77</sup> Eurostat, "Climate-Related Taxes," [https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Cli-mate-related\\_taxes](https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Cli-mate-related_taxes).

## REFORM: DEVELOPMENT OF TRANSPARENT AND COMPETITIVE PROCEDURES FOR THE DEPLOYMENT OF RENEWABLE ENERGY

- ***Simplify permitting procedures for renewable energy projects – December 2025 - EC assessment pending***

This reform aims to streamline access for households and commercial entities, such as solar power producers, to obtain renewable energy production licenses and permits. To that end, the Assembly adopted the Law on the Promotion of the Use of Renewable Energy Sources in 2024,<sup>78</sup> providing the overarching legal framework and regulatory guidelines to simplify administrative procedures in alignment with the EU Renewable Energy Directive (RED II).<sup>79</sup>

In response to a FOI request, the Ministry of Economy clarified that the Terms of Reference (ToR) for the E-Permits System were finalized in February 2024. Nevertheless, the operational deployment of this digitalized permitting system has not commenced due to a lack of allocated budget resources and delays in procurement procedures.

Despite being within the applicable grace period, virtually no concrete measures have been taken to fulfill this specific reform step. The Ministry of Economy has yet to adopt the secondary legal acts required to simplify and expedite permitting procedures. Conversely, the Ministry did adopt an administrative act concerning the competitive bidding process for renewable energy support schemes.<sup>80</sup> With the new administration taking office, prioritizing the adoption of these secondary legal acts is essential for the energy sector. The grace period for this reform step expires in December 2026, after which Kosovo risks losing the EU funds allocated for its implementation.

- ***Announce a 3-year auction plan and launch an auction for the deployment of 150 MW of wind power - December 2024 - EC assessment pending***

Kosovo remains heavily reliant on coal for energy generation; however, in recent years, the government has taken initial steps toward decarbonization. To align with the European Union's transition toward clean energy, the Government of Kosovo adopted a new Energy Strategy for the period 2022–2031.<sup>81</sup>

78 Assembly of the Republic of Kosovo, "Law No. 08/L-258 on the Promotion of the Use of Renewable Energy Sources," May 2, 2024, <https://gzk.rks-gov.net/ActDetail.aspx?ActID=89043>.

79 European Parliament and Council of the European Union, "Directive (EU) 2018/2001 on the Promotion of the Use of Energy from Renewable Sources," December 11, 2018, <https://eur-lex.europa.eu/eli/dir/2018/2001/oj/eng>.

80 Ministry of Economy of the Republic of Kosovo, "Administrative Instruction (ME) No. 01/2024 on the Competitive Bidding Process for Granting Support for Renewable Energy," December 17, 2024, <https://gzk.rks-gov.net/ActDetail.aspx?ActID=99772>.

81 Ministry of Economy of the Republic of Kosovo, "Energy Strategy of the Republic of Kosovo 2022–2031," 2023, <https://me.rks-gov.net/wp-content/uploads/2023/04/Energy-Strategy-of-the-Republic-of-Kosovo-2022-2031-1-1.pdf>.

This strategy aims to facilitate the eventual decommissioning of outdated coal plants and support the integration of up to 1,600 MW of renewable energy capacity.

In this context, the Ministry of Economy was tasked with launching a new three-year auction plan to move away from ad hoc decisions and provide long-term predictability for renewable energy investments. Within this framework, the government was required to launch a competitive auction for a 150 MW wind power project, ensuring transparent procedures and robust public communication.

In December 2024, the Ministry of Economy initiated the wind power auction<sup>82</sup>; however, the call was issued for a capacity of only 100 MW, falling short of the planned 150 MW target. This followed the publication of the official three-year auction plan in July 2024,<sup>83</sup> which outlines the government's long-term strategy to provide market clarity for potential investors. The plan was published on the Ministry's official website<sup>84</sup> and promoted across institutional communication channels.

During the grace period in 2026, the Ministry of Economy advanced to the final evaluation phase for selecting the winning bidder of the auction.<sup>85</sup> A pre-bidders' conference was held on 1 July 2026, and final proposals are set to be submitted by September 2026. Additionally, the Ministry of Economy is preparing the Renewables Auction Plan 2026–2028 to complement the initial auction and ultimately fulfill the 150 MW wind energy capacity target.

Although the Ministry has taken constructive steps during the grace period to satisfy the requirements of this reform step, it remains critically important that all remaining technical and legal procedures are finalized prior to the December 2026 deadline, which marks the conclusion of the grace period.

82 Ministry of Economy of the Republic of Kosovo, "100 MW New Wind Energy Auction," <https://reskosovo.rks-gov.net/100-new-wind/>.

83 Ministry of Economy of the Republic of Kosovo, "Announcement for Tenders for Wind Energy: 150 MW," July 2024, <https://me.rks-gov.net/wp-content/uploads/2024/07/TENDERET-PER-ENERGJI-TE-ERES-150-MW.pdf>.

84 Ministry of Economy of the Republic of Kosovo, "Renewable Energy Sources," <https://reskosovo.rks-gov.net/>.

85 Ministry of Economy of the Republic of Kosovo, "Response to Freedom of Information Request," July 16, 2026.

Kosovo has faced systemic challenges in the education sector, as evidenced by low PISA scores that consistently rank the country near the bottom internationally.<sup>86</sup> Consequently, the *Human Capital* domain encompasses the highest number of policy measures within the Reform Agenda to address these structural deficits. This monitoring update assesses the implementation of the reform step requiring professional training for 30% of Vocational Education and Training (VET) and adult education staff. Measures from previous reporting periods included the entry into force of a primary law regulating VET, an increase in daycare participation for the 0–2 age group to 8%, and the rollout of school reorganization plans across at least 40% of public schools. Previously, a key milestone was achieved in July 2025 when Kosovo secured full membership in the European Association for Quality Assurance in Higher Education (ENQA). Overall, the pace of implementation in this policy domain remains sluggish, requiring the incoming administration to expedite legislative approvals and executive reforms.

| Reforms<br>Reform steps                                                                                                                                                                                                                                     | Deadline<br>(due in) | Implementation<br>status                            | Reform Monitor findings                                                                                                                                                                         |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|-----------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Align education with labour market needs through close cooperation with the business community and through revising the legal framework on VET and adult education and increasing work-based learning in VET schools                                        |                      |                                                     |                                                                                                                                                                                                 |
| Full membership of ENQA                                                                                                                                                                                                                                     | Jun 2025             | EC assessment pending – Grace period until Jun 2026 | Full membership was attained.                                                                                                                                                                   |
| Entry into force of new law regulating VET (including governance, curricula, funding formula and network of VET institutions) and adult education (AE) in line with European standards                                                                      | Dec 2025             | EC assessment pending – Grace period until Dec 2026 | A draft Law on Vocational Education and Training was presented for consultations, awaiting approval by the Assembly.                                                                            |
| At least 30% of VET and adult education teachers and trainers either trained in the new curricula or already have relevant professional experience; At least 50% of non-formal qualifications offered by PES, registered in the NQF qualifications register | Jun 2026             | EC assessment pending – Grace period until Jun 2027 | All VET teachers and trainers have completed training on the new curricula; however, their qualifications have not yet been formally registered in the National Qualifications Framework (NQF). |

86 OECD, “PISA 2022 Results: Kosovo,” 2023, [https://www.oecd.org/en/publications/pisa-2022-results-volume-i-and-ii-country-notes\\_ed6fbcc5-en/kosovo\\_1f99d575-en.html](https://www.oecd.org/en/publications/pisa-2022-results-volume-i-and-ii-country-notes_ed6fbcc5-en/kosovo_1f99d575-en.html).

## REFORM: ALIGN EDUCATION, WITH LABOUR MARKET NEEDS THROUGH CLOSE COOPERATION WITH THE BUSINESS COMMUNITY AND THROUGH REVISING THE LEGAL FRAMEWORK ON VET AND ADULT EDUCATION AND INCREASING WORK-BASED LEARNING IN VET SCHOOLS

- **Full membership of ENQA – June 2025 - EC assessment pending**

The European Association for Quality Assurance in Higher Education is an international mechanism that develops European higher education standards and evaluates quality assurance agencies.<sup>87</sup> In this capacity, it provides technical expertise and supports the Bologna Process across the higher education sector. While membership does not result in the automatic recognition of diplomas issued in Kosovo, full membership of the Kosovo Accreditation Agency (KAA) in ENQA enhances the credibility of higher education in Kosovo and facilitates access to the European labour market for its graduates.

Although Kosovo previously held affiliate status in ENQA, its involvement was suspended in 2019 following the political dismissal of the KAA board.<sup>88</sup> This decision severely damaged the international standing and accreditation credibility of universities in Kosovo within the European higher education area. Following years of limited progress, the Kosovo Accreditation Agency was formally readmitted to ENQA as a full member on 14 July 2025 during the applicable grace period.<sup>89</sup> This milestone was publicly confirmed by the Agency<sup>90</sup> and represents one of the few reform steps where substantial progress was achieved during the grace period. The final assessment by the European Commission regarding the official fulfillment of this step remains pending.

87 European Association for Quality Assurance in Higher Education (ENQA), "European Association for Quality Assurance in Higher Education," <https://www.enqa.eu/>.

88 European Association for Quality Assurance in Higher Education (ENQA), "EQAR Removes Agency from Register," June 17, 2025, <https://www.enqa.eu/news/eqar-removes-agency-from-register/>.

89 KosovaPress, "Kosovo Accreditation Agency Admitted as a Full Member of EQAR," May 7, 2025, <https://kosovapress.com/agjencia-e-kosoves-per-akreditim-pranohet-anetare-me-te-drejta-te-plota-ne-eqar>.

90 Kosovo Accreditation Agency, "Kosovo Accreditation Agency Admitted as a Full Member of EQAR," May 7, 2025, <https://akreditimi.rks-gov.net/sq/agjencia-e-kosoves-per-akreditim-pranohet-anetare-me-te-drejta-te-plota-ne-eqar/>.

- ***Entry into force of new law regulating VET (including governance, curricula, funding formula and network of VET institutions) and adult education (AE) in line with European standards – December 2025 - EC assessment pending***

This reform step aims to modernize the governance system and structural framework of VET through the adoption and enforcement of updated legislation. Modernizing vocational and adult education is intended to improve its alignment with labour market requirements and address strategic skills shortages across the domestic economy.

To that end, the Ministry of Education and Science (MESTI),<sup>91</sup> prepared a draft Law on Vocational Education and Training,<sup>92</sup> which subsequently underwent public consultation on the official government platform.<sup>93</sup> The process attracted extensive feedback from citizens, civil society organizations, and international education experts, reflecting a high level of stakeholder engagement. While many submissions highlighted specific structural shortcomings in the text, European experts evaluated the draft positively regarding its alignment with the relevant EU acquis. However, no further progress toward revising or adopting this legislation has occurred since the previous monitoring update due to ongoing political paralysis.<sup>94</sup> The draft law was neither finalized nor brought to a vote during the brief 76-day mandate of the 10th Legislature in 2026.

The incoming administration must prioritize addressing the comments gathered during the consultation process and refining the legislative proposal to resolve the substantive concerns raised by experts and civil society. Subsequently, the newly constituted Assembly must pass the legislation for it to take effect. As the grace period for this reform step expires in December 2026, the government faces tight deadlines to finalize the draft, submit it to the Assembly, and secure its passage.

91 Following the formation of the new cabinet on February 12, 2026, the Government of Kosovo reorganized the Ministry of Education, Science, Technology and Innovation (MESTI) as the Ministry of Education and Science (MES). To ensure chronological accuracy, references to the institution prior to this date use "MESTI," whereas "MES" is applied in the context of subsequent developments, including the June 2026 reform steps., <https://kosovapress.com/qeveria-kurti-3-nis-punen-kjo-eshte-perberja-e-kabinetit>.

92 Government of the Republic of Kosovo, "Concept Document for the Field of Governance and Management of Vocational Education and Training in the Republic of Kosovo," 2025, <https://konsultimet.rks-gov.net/viewConsult.php?ConsultationID=42363>.

93 Government of the Republic of Kosovo, "Consultations for the Concept Document for the Field of Governance and Management of Vocational Education and Training in the Republic of Kosovo," 2025, <https://konsultimet.rks-gov.net/viewConsult.php?ConsultationID=42363>.

94 Ibid. 95.

- ***At least 30% of VET and adult education teachers and trainers either trained in the new curricula or already have relevant professional experience; At least 50% of non-formal qualifications offered by PES, registered in the NQF qualifications register - June 2026 - EC assessment pending***

For years, VET was largely overlooked within Kosovo's broader education system.<sup>95</sup> However, the Education Strategy 2022–2026 established VET as a key priority area for the Ministry of Education and Science (MES).<sup>96</sup> The strategy seeks to align VET with labour market demands, expand the dual system under which students gain practical work experience alongside their studies, modernize curricula, and train instructional staff. Reflecting its strategic significance, the Reform Agenda commits to six specific reform steps in the VET sector.

The current reform step aims to incentivize training for VET and adult education teachers on new curricula while ensuring that their professional qualifications are formally registered in the qualifications register managed by NQA. In response to a FOI, MES clarified that it reported this reform step as unfulfilled to the European Commission. The Ministry noted that while all VET and adult education teachers received training on the new curricula, technical issues within the NQA's electronic registration portal prevented the formal registration of these credentials.

Because this measure is executive in nature, its progress is not dependent on legislative approval and remains unaffected by parliamentary delays. Consequently, MES, in coordination with the NQA and other relevant bodies, should take swift operational steps to address the system issues and complete the registration of trained educators prior to the deadline.

95 Kosovo Education Center (KEC), "VET Education in Kosovo: Challenges and Opportunities," 2020, [https://www.kec-ks.org/wp-content/uploads/2020/08/VET-Education-in-Kosovo\\_Challenges-and-Opportunities\\_ENG.pdf](https://www.kec-ks.org/wp-content/uploads/2020/08/VET-Education-in-Kosovo_Challenges-and-Opportunities_ENG.pdf).

96 Government of the Republic of Kosovo, "Education Strategy 2022–2026," 2022, <https://kryeministri.rks-gov.net/wp-content/uploads/2023/01/Strategjia-e-Arsimit-2022-2026-Eng-Web.pdf>.

The primary objective of the RGF is to stimulate economic growth across the Western Balkans, with the ambition of doubling the region's GDP by 2030 and preparing candidate countries for EU membership.<sup>97</sup> Consequently, the *Business Environment and Private Sector Development* domain represents a central pillar in achieving these overarching goals. In this reporting period, the monitoring update focuses on the establishment of investor grievance mechanisms within the Investment and Export Agency, alongside the implementation of external audit recommendations across Publicly Owned Enterprises (POEs). Key reform steps from previous reporting periods included establishing and operationalizing the state aid control system, adopting the Law on Innovation, setting up the National Innovation Council and the Innovation Fund, operationalizing the Investment and Export Agency, and launching a centralized public registry for all POEs. Because most of these measures are legislative in nature or depend on statutory approval as a prerequisite, they exhibit a low rate of fulfillment. The persistent failure of the Assembly to enact key legislation throughout 2025 and 2026 rendered legal reforms stagnant, while the government's caretaker status further hindered executive implementation.

| Reforms<br>Reform steps                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Deadline<br>(due in) | Implementation<br>status                            | Reform Monitor findings                                                                                                                             |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|-----------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|
| Improve the governance, efficiency, and accountability of Publicly-Owned Enterprises (POEs) to enhance their contribution to the economy.                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                      |                                                     |                                                                                                                                                     |
| Ensure that All POEs registry are publicly available and up-to-date, including information on the ownership. 100% of the POEs have established an independent audit committee to address findings from internal and external audits, including the fiscal risk management findings. The unit responsible for monitoring POEs as a monitoring mechanism requires a report on the elimination of the auditor's findings and fiscal risk management findings within the deadline set by the Board of Directors, analysing and demanding accountability based on audit recommendations and fiscal risk elements | Dec 2025             | EC assessment Pending – Grace period until Dec 2026 | The Ministry of Economy has published a registry that includes all central-level POEs; however, the information requires regular updating.          |
| 50% of the independent external audit recommendations for the year 2023 have been fully implemented by the central POEs                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Jun 2026             | EC assessment pending                               | MoE reports that 45% of the external audit recommendations have been implemented to date.                                                           |
| Competition policy /State aid                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                      |                                                     |                                                                                                                                                     |
| Agency of Investments and Export and the Agency for support of the Enterprises established and fully operational]                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Dec 2025             | EC assessment pending – Grace period until Dec 2026 | The Government recently published the founding regulation for the unified investment agency, with operational funding allocated in the 2026 budget. |

<sup>97</sup> European Commission, "Growth Plan for the Western Balkans," [https://enlargement.ec.europa.eu/enlargement-policy/growth-plan-western-balkans\\_en](https://enlargement.ec.europa.eu/enlargement-policy/growth-plan-western-balkans_en).

|                                                                                                                                                                              |          |                                                     |                                                                                                                                                        |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|-----------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|
| State Aid Commission established                                                                                                                                             | Dec 2024 | EC assessment pending – Grace period until Dec 2026 | Members of the State Aid Commission require parliamentary appointment, which could not take place due to ongoing political gridlock.                   |
| State aid control system is functional                                                                                                                                       | Jun 2025 | EC assessment pending – Grace period until Jun 2026 | Operationalizing the state aid control system remains contingent upon the formal establishment and parliamentary approval of the State Aid Commission. |
| Adoption of the Law on Innovation and Entrepreneurship                                                                                                                       | Dec 2024 | EC assessment pending – Grace period until Dec 2026 | The Assembly failed to adopt the draft legislation due to political instability and lack of quorum.                                                    |
| The National Innovation Council and the Innovation Fund have been established and are fully operational                                                                      | Jun 2025 | EC assessment pending – Grace period until Jun 2026 | The establishment of the Council and Fund remains legally contingent upon the prior enactment of the Law on Innovation and Entrepreneurship.           |
| Establish investor grievance settlement mechanism as per Law on Sustainable Investment, and aftercare program and investor aftercare unit within Investment Promotion Agency | Jun 2026 | EC assessment pending                               | While an investor aftercare division is planned within the agency structure, the required Investor Complaint Panel has not yet been appointed.         |

## REFORM: IMPROVE THE GOVERNANCE, EFFICIENCY, AND ACCOUNTABILITY OF PUBLICLY-OWNED ENTERPRISES (POES) TO ENHANCE THEIR CONTRIBUTION TO THE ECONOMY

- ***Ensure that all Publicly Owned Enterprises (POEs) registries are publicly available and up-to-date, including information on the ownership. 100% of the POEs have established an independent audit committee to address findings from internal and external audits, including the fiscal risk management findings. The unit responsible for monitoring POEs as a monitoring mechanism requires a report on the elimination of the auditor's findings and fiscal risk management findings within the deadline set by the Board of Directors, analysing and demanding accountability based on audit recommendations and fiscal risk elements– December 2025 - EC assessment pending***

This reform step seeks to strengthen institutional transparency and public accountability in the governance of Publicly Owned Enterprises by establishing a comprehensive registry encompassing all POEs in Kosovo. Additionally, it mandates the publication of audit reports and the systematic tracking of audit recommendations to safeguard the financial performance of these enterprises.

Progress has been recorded under this reform step, as the Ministry of Economy established an online registry covering central-level public enterprises.<sup>98</sup> However, this registry currently contains information on only the nine central-level POEs operating under a national mandate. The platform was last updated on 24 December 2025,<sup>99</sup> providing updated details regarding ownership structures, board memberships, and related corporate governance data. This scope aligns with the Law on Publicly Owned Enterprises, which delegates the oversight of local POEs directly to municipal authorities.<sup>100</sup>

According to the updated registry published by the MoE in December 2025, all central-level POEs maintain functional boards of directors and audit committees. These enterprises regularly report on their financial performance to the Policy and Monitoring Unit for Publicly Owned Enterprises (PEPMU) within the MoE. When potential financial risks are identified by the unit, reports are forwarded to the Ministry of Finance for appropriate intervention. Nevertheless, while internal MoE regulations require PEPMU to publish annual POE performance reports, no such report has been published since 2022.<sup>101</sup>

The grace period for this reform step expires in December 2026, and failure to achieve full compliance will result in the loss of dedicated EU funding. Moving forward, the government must update the registry to provide complete, up-to-date information regarding the ownership and executive leadership of all POEs. Furthermore, all POEs must ensure their boards remain fully operational to appoint independent audit committees for continuous financial oversight. Finally, the MoE must enhance its follow-up mechanism for audit findings to better detect fiscal risks and prevent their escalation.

Additionally, in alignment with recommendations from the Agency for Gender Equality (AGE), the public registry should track the proportion of women serving on governing boards to ensure accurate data on gender representation. The government should also implement the policy recommendation targeting a minimum threshold of 40% female representation across all POE boards.

98 Ministry of Economy of the Republic of Kosovo, "Central Publicly Owned Enterprises," <https://me.rks-gov.net/njpmnp/ndermarrjet-publike-qendrore/>.

99 Ministry of Economy of the Republic of Kosovo, "Register of Central Publicly Owned Enterprises 2026," April 2026, <https://me.rks-gov.net/njpmnp/wp-content/uploads/sites/3/2026/04/REGISTER-OF-CENTRAL-PUBLIC-ENTERPRISES-2026.pdf>.

100 Assembly of the Republic of Kosovo, "Law No. 03/L-087 on Publicly Owned Enterprises," June 13, 2008, <https://gzk.rks-gov.net/ActDetail.aspx?ActID=2547&langid=2>.

101 Ministry of Economy of the Republic of Kosovo, "Performance Reports for Publicly Owned Enterprises," <https://me.rks-gov.net/njpmnp/raportet-e-performances-per-np/>.

- ***50% of the independent external audit recommendations for the year 2023 have been fully implemented by the central POEs - June 2026 - EC assessment pending***

According to the Law on Publicly Owned Enterprises, each central-level POE is required to undergo regular audit procedures. This process is facilitated by internal audit committees, alongside external independent audits conducted by certified audit firms and state-level financial audits performed by the National Audit Office (NAO). These three distinct layers of financial oversight ensure that public capital invested in state owned enterprises is managed profitably, transparently, and responsibly. The rigorous implementation of these audit procedures enhances the financial viability of enterprises while restoring public trust in their governance.

Historically, public institutions and POEs in Kosovo have maintained a poor track record regarding the implementation of audit recommendations. A core objective of this reform step is establishing an institutional culture of systematic follow-up to strengthen corporate governance and enforce managerial accountability. In response to a freedom of information request, MoE clarified that POEs have implemented 45% of independent audit recommendations to date. If validated by the European Commission, this represents a relatively successful outcome for a quantitative target, considering that a 90% realization of the benchmark qualifies as sufficient fulfillment under RGF monitoring standards.

Nevertheless, the MoE must significantly improve transparency surrounding the audit reporting process. The performance report section on the official POE Monitoring Unit website has not been updated since 2022.<sup>102</sup> To uphold public accountability, all external audit reports and annual performance assessments should be published online and updated regularly. In its 2023 annual report, the NAO noted that it audited eight central-level POEs and issued 89 recommendations.<sup>103</sup> While the NAO reported a 55% compliance rate for 2022, no comparative implementation metric was published for 2023. The lack of public access to external audit reports creates substantial hurdles for independent verification and fact-checking.

In the upcoming period, the Policy and Monitoring Unit for POEs within the MoE must publish all external audit reports for public review. To build systemic capacity, the Institute for Internal Audit and Control (IIAC) recommends developing mandatory action plans for POEs, conducting root-cause analyses

<sup>102</sup> Ministry of Economy of the Republic of Kosovo, "Performance Reports for Publicly Owned Enterprises," <https://me.rks-gov.net/njpmnp/en/performance-reports-for-pe/>.

<sup>103</sup> National Audit Office of the Republic of Kosovo, "Annual Report of the National Audit Office for 2023," 2024, [https://zka-rks.org/cms/ReportFiles/2024\\_24e084aa-f75c-4c23-9828-fd8dea53fe6b.pdf](https://zka-rks.org/cms/ReportFiles/2024_24e084aa-f75c-4c23-9828-fd8dea53fe6b.pdf).

of recurring compliance failures, and establishing a centralized electronic system to monitor audit recommendations. Implementing these measures will increase compliance rates across reform steps while ensuring full transparency throughout the oversight process.

### REFORM: FACILITATE PRIVATE SECTOR INVESTMENT AND IMPROVE MECHANISMS TO ATTRACT FOREIGN DIRECT INVESTMENT (FDI) IN STRATEGIC SECTORS, PROMOTING THE ADOPTION OF HIGHER VALUE-ADDED PRODUCTS, SERVICES, AND INNOVATION

- ***State Aid Commission established - December 2024 - EC assessment pending***

In preparation for EU accession and integration into the European Single Market, Kosovo must build robust industrial capacity to remain competitive within the European economy. As in many developed nations, this requires a well-regulated state aid framework targeting productive industries to establish a resilient economic foundation and incentivize exports. A complementary goal is attracting foreign direct investment (FDI) to address Kosovo's current shortage of domestic capital.

Kosovo enacted its Law on State Aid in 2017,<sup>104</sup> which mandates the establishment of an independent State Aid Commission (SAC) to evaluate and authorize state aid applications. Under the law, the Commission comprises five technical experts in state aid policy who are selected through a merit based competitive procedure before being formally appointed by the Assembly. Although this framework is thoroughly defined in primary legislation, the Commission has remained non-functional since 2022 due to the Assembly's failure to elect new members. While no progress occurred throughout 2025, the brief window of opportunity following the constitution of the 10th Legislature in 2026 was similarly left unutilized.

To achieve full fulfillment of this reform step, the government must first issue a new public call for SAC candidates. Subsequently, the Assembly must vote on and ratify the appointment of new members to restore the Commission's decision-making quorum. Furthermore, the existing Law on State Aid requires legislative amendments to align with the latest EU acquis, alongside specialized technical training for administrative staff. Finally, the State Aid Commission must adopt its internal Rules of Procedure to clarify application processing guidelines and state aid approval mechanisms.

<sup>104</sup> Assembly of the Republic of Kosovo, "Law No. 05/L-100 on State Aid," 2017, <https://gzk.rks-gov.net/Act-Detail.aspx?ActID=13270&langid=2>.

The grace period for the fulfillment of this reform step expires in December 2026. Given the tight timeline, the government must take immediate operational action to reactivate the State Aid Commission. Failure to achieve compliance before the end of 2026 will result in the definitive forfeiture of the dedicated funds allocated under the Reform Agenda.

- ***State aid control system functional - June 2025 - EC assessment pending***

Appointing a new State Aid Commission (SAC) represents only the initial requirement for making the overall state aid framework operational. Beyond this appointment, the primary Law on State Aid must be amended to align fully with the latest EU acquis. As a final step toward full operationalization, existing and newly onboarded administrative staff must receive specialized training on contemporary EU state aid practices and enforcement standards. Only the sequential completion of all three elements can ensure the effective operationalization of the state aid control system.

As noted previously, because the Assembly failed to reactivate the SAC, the first of these three sequential steps has not been achieved. In the absence of an operational Commission, technical staff could not receive necessary training, nor could the institution adopt updated internal Rules of Procedure. Concurrently, the Ministry of Industry, Entrepreneurship and Trade (MIET) is tasked with drafting the new Law on State Aid. This legislative draft must undergo formal consultation with the European Commission to incorporate standard mechanisms, including the recovery of unlawful state aid, guidelines on regional aid, and framework provisions for small and medium-sized enterprise (SME) state aid. The updated proposal must subsequently enter public consultations to enable feedback from civil society and the business community. Finally, the institution must publish all formal decisions within a public registry to guarantee full transparency.

Unfortunately, the grace period for fulfilling this reform step expired in June 2026. Repeated cycles of political gridlock have severely impacted the Reform Agenda, particularly regarding legislative measures. When examining the six reform steps under the *Facilitate investments of private sector and improve mechanisms to attract FDI in strategic sectors promoting adoption of higher value-added products and services and innovation* reform, it becomes evident that parliamentary dysfunction created a negative spillover effect on executive reforms. The failure to meet an antecedent requirement hinders dependent measures; in this instance, the inability to establish the SAC by the original December 2024 target effectively incapacitated this subsequent reform step in June 2025.

## REFORM: FACILITATE INVESTMENTS OF THE PRIVATE SECTOR AND IMPROVE MECHANISMS TO ATTRACT FDI IN STRATEGIC SECTORS PROMOTING ADOPTION OF HIGHER VALUE-ADDED PRODUCTS AND SERVICES AND INNOVATION

- ***Agency of Investments and Export and the Agency for support of the Enterprises established and fully operational – December 2025 - EC assessment pending***

Another key reform step toward attracting foreign direct investment involves establishing the Investment and Export Agency alongside the Agency for Innovation and Enterprise Support. This initiative aims to enhance the export competitiveness of domestic businesses by offering structured state support and investment promotion services.

The statutory basis for establishing these institutions is the Law on Sustainable Investment, enacted in 2024.<sup>105</sup> The law provides for the creation of the Investment and Export Agency (AIE) and the Agency for Innovation and Enterprise Support in the Republic of Kosovo (AISEK), which are structured to replace the existing Investment and Enterprise Support Agency in Kosovo (KIESA). Both entities are designed to operate under the umbrella of the Office of the Prime Minister to promote inward investment, streamline investor services, and deliver comprehensive aftercare programs.

The Office of the Prime Minister formally established the Investment and Export Agency on 15 January 2026, publishing its founding organizational regulation on the official government portal.<sup>106</sup> The agency framework includes an Executive Director and ten operational units tasked with investment promotion, market research, and operating a centralized one-stop shop for business services. Furthermore, the 2026 state budget allocates 20 staffing positions and a dedicated operational budget of nearly EUR 800,000 for the agency; concerning, however, medium-term expenditure frameworks project funding reductions in subsequent years.<sup>107</sup> On 25 June 2026, the Ministry of Digitalization and Public Administration published the competitive selection results for the Executive Director position, appointing the former Chief of Staff to the Prime Minister.<sup>108</sup> Civil society and media outlets subsequently highlighted po-

<sup>105</sup> Assembly of the Republic of Kosovo, "Law No. 08/L-209 on Sustainable Investments," <https://gzk.rks-gov.net/ActDetail.aspx?ActID=96277>.

<sup>106</sup> Office of the Prime Minister of the Republic of Kosovo, "Regulation (OPM) No. 01/2026 on Internal Organization and Job Classification for the Investment and Export Agency," January 1, 2026, <https://gzk.rks-gov.net/ActDetail.aspx?ActID=115275>.

<sup>107</sup> Assembly of the Republic of Kosovo, "Law No. 10/L-001 on Budget Appropriations for the Budget of the Republic of Kosovo for Year 2026," March 2, 2026, <https://gzk.rks-gov.net/ActDetail.aspx?ActID=117682>.

<sup>108</sup> Government of the Republic of Kosovo, "Notice on the Final Results of the Evaluation," June 2026, <https://kryeministri.rks-gov.net/wp-content/uploads/2026/06/Njoftim-per-rezultatet-perfundimtare-te-vleresimit.pdf>.

tential conflict-of-interest concerns arising from the selected candidate's prior executive role within the OPM.<sup>109</sup>

While structural progress has occurred regarding AIE, the operational setup for AISEK remains considerably less advanced. KIESA, which is slated for absorption into the new institutional framework, continues its standard operations. The 2026 state budget makes no explicit allocation for AISEK, maintaining direct funding for KIESA instead. Given that the draft Law on Innovation and Entrepreneurship also assigns key support mechanisms to AISEK, the government must initiate formal operational procedures to establish this entity and fulfill the remaining mandate of this reform step.

Looking ahead, AIE requires full operationalization through transparent, merit-based recruitment across all technical units. Following the appointment of the Executive Director, the administration must staff the agency with qualified professionals and secure adequate budgetary resources. Allocating less than EUR 800,000 for 2026, alongside projected future decreases, risks underfunding a key economic agency. To achieve meaningful results, the government must scale up funding allocations before the grace period for this reform step expires in December 2026, after which Kosovo faces the potential loss of financial allocations tied to the Reform Agenda.

- ***Establish investor grievance settlement mechanism as per Law on Sustainable Investment, and aftercare program and investor aftercare unit within Investment Promotion Agency - June 2026 - EC assessment pending***

The Reform Agenda prescribes a dedicated grievance settlement mechanism alongside structured aftercare services for investors under the broader *Facilitate private sector investment and improved mechanisms to attract Foreign Direct Investment (FDI) in strategic sectors, promoting the adoption of higher-value-added products, services, and innovation* priority reform. This dispute resolution framework was designed as a trust-building measure enabling foreign investors to resolve administrative disputes credibly, while the dedicated aftercare unit is tasked with assisting businesses already operating in Kosovo.

Article 22 of the Law on Sustainable Investment mandates the establishment of an Investor Complaint Panel to address grievances against public authorities, while Article 45 outlines further settlement mechanisms to build investor confidence.<sup>110</sup> Additionally, Article 19 tasks the Investment and Export Agency (AIE) with delivering investor aftercare services by organizing regular consultations, supporting commercial operations, and facilitating expansion activities.

<sup>109</sup>Demokracia.com, "Conflict of Interest: Luan Dalipi Becomes Illegally a Director at Kurti's Office," <https://demokracia.com/konflikt-i-interesit-luan-dalipi-behet-kunderligjshem-drejtor-prane-zyres-se-kurtit/>.

<sup>110</sup>Ibid. 107.

The internal organizational regulation of AIE formally establishes the Investor Aftercare Division, setting out its mandate in alignment with primary legislation.<sup>111</sup> The division is structured to operate with a division head and three technical staff members.

Although nearly two years have passed since the enactment of the Law on Sustainable Investment, the Investor Complaint Panel of the Republic of Kosovo has yet to be established. To achieve full compliance during the grace period, the government must formally appoint the five-member panel for a four-year mandate and approve the necessary sub-legal acts governing its internal procedures. Following these appointments, the panel must adopt its formal Rules of Procedure. The full operationalization of AIE will further accelerate this process, as the agency is designated to serve as the institutional secretariat for the panel.

- ***Adoption of the Law on Innovation and Entrepreneurship - December 2024 - EC assessment pending***

This reform step aims to establish the legislative foundation for promoting innovation and entrepreneurship, particularly among Kosovo's youth. To achieve this objective, the primary Law on Innovation and Entrepreneurship must be drafted and undergo formal consultation. The text must align with the relevant EU Ecolabel and Ecodesign frameworks to ensure that green technologies and sustainable business models receive structured support within a clear regulatory environment.<sup>112</sup>

The Ministry of Industry, Entrepreneurship and Trade prepared a draft law as early as 2023,<sup>113</sup> which subsequently underwent public consultation without receiving formal objections.<sup>114</sup> However, the political gridlock that characterized 2025 prevented its consideration by parliament. The government officially submitted the draft law to the Assembly on 20 April 2026,<sup>115</sup> just eight days prior to the dissolution of the legislature. Given the tight timeline, the parliamentary majority attempted to invoke an expedited legislative procedure; however, opposition parties declined to participate, effectively stalling the proposal.

<sup>111</sup> Ibid. 108.

<sup>112</sup> European Parliament and Council of the European Union, "Regulation (EU) 2017/1369 Setting a Framework for Energy Labelling and Repealing Directive 2010/30/EU," July 4, 2017, <https://eur-lex.europa.eu/eli/reg/2017/1369/oj/eng>.

<sup>113</sup> Assembly of the Republic of Kosovo, "Draft Law on Innovation and Entrepreneurship," 2023, [https://www.kuvendikosoves.org/Uploads/Data/Documents/41PLperinovaciondhendermarresi\\_6hBryYm8w6.pdf](https://www.kuvendikosoves.org/Uploads/Data/Documents/41PLperinovaciondhendermarresi_6hBryYm8w6.pdf).

<sup>114</sup> Government of the Republic of Kosovo, "Concept Document on Innovation and Entrepreneurship," 2025, <https://konsultimet.rks-gov.net/viewConsult.php?ConsultationID=42184>.

<sup>115</sup> Assembly of the Republic of Kosovo, "Draft Law on Innovation and Entrepreneurship," 2025, <https://www.kuvendikosoves.org/eng/projektligjet-dhe-ligjet/draftlawopen/?draftlaw=629>.

This reform step remains within its applicable grace period, requiring the newly elected Assembly to prioritize its debate and passage upon convening. The executive branch must re-submit the proposal in a timely manner to allow for adequate parliamentary scrutiny, while institutional coordinators must engage across party lines to secure the necessary two-thirds majority for legislation critical to the EU integration process and the Reform Agenda. Failure by the Assembly to enact this law before the expiration of the grace period in December 2026 will result in the forfeiture of dedicated EU financial allocations.

- ***National Innovation Council and Innovation Fund established and fully operational - June 2025 - EC assessment pending***

The Reform Agenda envisions establishing a National Innovation Council alongside an Innovation Fund to provide strategic and financial support to entrepreneurs. The operational frameworks for both entities are anchored in the draft Law on Innovation and Entrepreneurship. However, because the Assembly has failed to pass this legislation to date, neither the Council nor the Fund could be formally established. The draft law provides for the creation of the National Innovation and Entrepreneurship Council (NIEC) and the Innovation and Entrepreneurship Fund (IEF). The Council is designed to comprise relevant public officials, business association representatives, and key innovation-related organizations, with a mandate to propose strategic policies, regulations, and incentives that foster innovation and business development.

The Innovation and Entrepreneurship Fund is slated to operate within the planned Agency for Innovation and Enterprise Support in Kosovo (AISEK). Its primary function is providing direct financial support to start-ups and small and medium-sized enterprises (SMEs). Delays in operationalizing AISEK, combined with parliament's inability to enact the primary law on innovation, have effectively halted the fulfillment of this reform step. Concerningly, unlike the Investment and Export Agency (AIE), the 2026 state budget makes no explicit funding allocation for either the Council or the Fund.

The grace period for this reform step expired in June 2026, marking another instance where legislative stagnation triggered a negative domino effect across dependent executive measures. Despite the expiration of the formal deadline, the incoming government must prioritize passing the required legislation and securing the necessary funding to drive innovation across the economy. Furthermore, the administration should implement the policy recommendation issued by AGE to guarantee a minimum of 40% female representation among the members of the NIEC.

