



Republika e Kosovës
Republika Kosova-Republic of Kosovo
Qeveria-Vlada-Government

Kosovo – EU High Level Dialogue on Key Priorities
– European Reform Agenda (ERA) –

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INTRODUCTION

The Stabilisation and Association Agreement (SAA) between the EU and Kosovo entered into force on 1 April 2016. The Agreement is the first formal contractual relationship that ties the EU and Kosovo together. It offers opportunities and incentives for Kosovo to strengthen good governance and rule of law, as well as boost economic growth and employment. It provides for the development of a gradual free trade area with the EU, it can help to attract foreign and domestic investment, and improve the business environment.

On 17 May, Prime Minister Mustafa and Commissioner Hahn agreed to develop a 'European Reform Agenda' to maximise the economic and political benefits of SAA. For this purpose, short term priorities have been agreed in the areas of (I) good governance and the rule of law, (II) competitiveness and investment climate and (III) education and employment.

The European Reform Agenda must be seen in conjunction with Kosovo's Economic Reform Programme which was submitted to the Commission in January 2016 and which remains the key overarching policy document guiding macroeconomic and fiscal reforms, including recommendations to boost competitiveness and alleviate labour market pressure. The joint conclusions issued on the occasion of the Ministerial meeting on Economic and Financial Dialogue between the EU and the Western Balkans and Turkey in May 2016 provide targeted policy guidance which should be implemented by Kosovo.

It is generally recognised that for Kosovo to make full use of the SAA and all the opportunities it offers, it needs to be accompanied by urgent economic reforms (as set out in the Economic Reform Programme), and underpinned by the rule of law. Strong and efficient institutions, an independent and well-resourced judiciary and the political will to vigorously fight corruption, are crucial for economic development, growth and employment. A firm commitment by Kosovo's political leaders to these reforms is needed, reforms that will deliver real opportunities for all of society.

The challenge for Kosovo at the current moment in time lies in prioritisation and planning both over the short and medium term to ensure effective implementation. The European Reform Agenda does not in any way replace existing strategies.^[1] Instead, it aims to help in the prioritisation of specific actions which can be carried out in the short term ensuring the commitment of the Kosovo government through the necessary allocation of resources, as well as buy-in by other domestic and international stakeholders. The Agenda therefore aims to fully seize the opportunities provided by the SAA.

The priority actions under the European Reform Agenda have been jointly identified by the Kosovo government and the European Commission in close consultation with IFIs, business sector, civil society and social partners¹.

^[1] National Programme for Implementation of the SAA (December 2015) and the National Development Strategy 2016-2021 (January 2016).

¹ As a cross-cutting issue, based on the CSO consultations, it is important to ensure that the Regulation on Minimum Standards for public consultation is fully implemented with regards to priority actions and indicators set out in the European Reform Agenda. Efforts should be made so that civil society is informed on the actions foreseen by the

A High Level Dialogue on the European Reform Agenda will meet (bi-) annually to take stock of the progress achieved. This will be chaired by Commissioner on the Commission side and the Prime Minister plus selected government ministers on the Kosovo side. Regular monitoring and reporting will be done through the SAA dialogue, which will kick off after the first SA Council with Kosovo in autumn 2016. The priorities will be updated, as appropriate, once a year.

The fulfilment of priority actions will assist in implementing the SAA and advancing Kosovo on its European path.

Kosovo Government in its implementation. Furthermore, the implementation of the European Reform Agenda needs to be conducted in line with the Law on Gender Equality.

I. Good Governance and the Rule of Law

One of the biggest challenges for Kosovo is the rule of law sector with a number of recurring issues such as independence of judiciary, corruption etc.

For the immediate and medium-term priorities in this area, Kosovo should focus on:

1. Reviewing and adopting legislation making mandatory the suspension and/or removal of public officials respectively indicted and convicted for corruption.
2. Amending the law on conflict of interest and related regulations bringing them in line with European standards and indicating the exact circumstances in which public officials may take on additional employment and appointments.
3. Ensuring the transparency and accountability of funding for political parties:
 - a. Carry out independent audits of political parties finances for 2013-2015,
 - b. Ensure the publication of financial reports of political parties as foreseen in the law.
4. Carrying out an independent review of the accountability mechanisms of all independent institutions, agencies and regulatory bodies, following up on its recommendations, and adopting legislative measures that clearly define the roles, responsibilities and lines of accountability of these institutions.
5. Ensuring that the planned legislative package covering civil service, salaries and organisation of state administration is prepared in a coordinated way in an inclusive and evidence-based process on the basis of concept notes agreed at the government level.
6. Ensuring transparent, merit-based and non-political selection processes in line with the law for all independent institutions, agencies and regulatory bodies as well as in public companies, including and in particular in relation to pending selection processes and ensure full implementation of the recommendations by the Kosovo Anti-Corruption Agency.
7. Implementing the government decision of March 2016 on introducing mandatory electronic procurement, along with the indicated timelines.
8. Reinforce the capacity of the Economic Department and Fiscal Division in the Administrative Department of the Pristina Basic Court, including in the areas of tax and customs, with a view to reduce the backlog of cases
9. Continuing to strengthen the track record on the fight against corruption and organised crime, including through reinforcing the capacity of the Special Prosecution Office investigating and prosecuting high-level cases.

II. Competitiveness and Investment Climate

Kosovo is a small, consumption-driven economy dominated by the service sector, limited international integration and high dependency on donor assistance and remittances. The trade deficit is very high (2.3 billion EUR in 2015) reflecting a narrow and still uncompetitive production base. Structural weaknesses constrain Kosovo's long-term economic development, including the creation of a functioning labour market providing more employment opportunities. Among the key challenges for Kosovo are the need to raise its production base, develop export capacities and close the competitiveness gap, to tackle the large informal economy and to improve the business environment to generate a better investment climate. Establishing a market based transport system, taking necessary steps to open the energy market and securing a reliable energy supply are also essential for Kosovo's competitiveness and a vector for growth.

For the immediate and medium-term priorities in this area, Kosovo should focus on:

1. Promoting foreign direct investments:
 - a. Significantly strengthen the capacity and enhance the internal portfolio organisation of the Kosovo Investment Enterprise Agency (KIESA) to allow it to improve its performance for promotion and support to investment, private sector and SME development.
 - b. Create an investor aftercare program for potential and present investors in Kosovo and an investors' grievance mechanism having sufficient competences to provide such services.
2. Improving the business environment:
 - a. Focus on improving the World Bank 'Doing Business' indicators
 - b. Align rules with international accounting, auditing and financial reporting standards,
 - c. Reduce the regulatory burden to firms, in particular by making transparent the fees and procedures required to get permits and licences.
 - d. Introduce legislative changes to improve the management, coordination and enforcement of market surveillance;
 - e. Align legislation, enhance capacity of Competition and State Aid bodies and ensure they start implementing their mandates
3. Systematically implementing the adopted strategy and action plan to fight informal economy.
4. Supporting SMEs development:
 - a. Follow up on the 'Small Business Act' assessment recommendations
 - b. Adopt concrete measures to improve quality infrastructure and standards
 - c. Introduce export programmes and instruments to help SMEs integrate into global value chains in order to support their internationalisation.
 - d. Adopt measures to deepen and widen financial intermediation to increase the access

to finance for SMEs.

5. Further developing a number of sectoral statistics key to policy making in the area of national accounts, trade and business statistics, energy and social statistics.

6. Enhancing the regional connectivity:

- a. Implement the prioritized individual public investment projects, in particular by adopting the revised Report on the implementation for the investment clause, on the basis of the 'Single Project Pipeline'.
- b. Implement all outstanding connectivity 'soft measures' and relevant policy reforms on transport and energy.

7. Enhancing energy security and adopting a comprehensive energy strategy for the period 2017-2026:

- a. Decide on the ownership modalities for Kosovo B and on the new investments in power generation and decommissioning of Kosovo A.
- b. Adopt an updated Action Plan on renewables.
- c. Assessment of the best modalities for the establishment of the mechanism for the financing of energy efficiency and environmental measures in the public and residential sectors and promote the full use of the existing initiatives like the Regional Efficiency Programme.

III. Employment and Education

Kosovo faces considerable challenges in the development of its labour market. The integration of more people into work is at the heart of the socioeconomic challenges, both from a supply and demand side. Kosovo has a very low labour market participation rate oscillating around 40% with stark gaps between men (61.8%) and women (21.4%). Employment rates are at 41.3% for men and 12.5% for women. The corresponding unemployment rates are thus very high (men 33.1%, women 41.6%). The weak labour market integration of young people constitutes a particular concern. Only 9% of youth under 25 are employed.

Kosovo has 20 higher education institutions per 1 million inhabitants, exceeding the European Union average. Yet there remains an urgent need to reform the education sector and to link post-secondary education and training with gaps in the labour market. However, as the basic and soft skills are developed usually in the years of basic education, the quality of pre-university education needs to be improved.

For the immediate and medium-term priorities in this area, Kosovo should focus on:

1. Adopting and implementing the Sectorial Strategy for Employment and Social Policy 2015- 2020 and adopting the 2017-2018 Action Plan for the implementation of the strategy
2. Improving employment opportunities:
 - a. Setting up an action plan for tackling youth unemployment based on an assessment of the challenges and focussing on improving education outcomes and supporting school-to-work transitions
 - b. Taking measures to increase labour market participation of women.
3. Ensuring the implementation of the law on the Agency for Employment, in particular by fully operationalising the Agency for Employment and allocating the necessary budget to ensure that it is able to roll out active labour market measures with tangible results.
4. Adopting outstanding legislation providing the basis for policy reforms in the education sector
5. Improving the quality of education:
 - a. Increasing the attendance of pre-school education
 - b. Conducting assessment/external evaluation and accelerate implementation of new curricula including with new textbooks in pre-university education
 - c. Establishing mechanisms to evaluate and enhance initial and in-service teacher training programmes.
 - d. Improving the overall quality of Higher Education
 - e. Fostering better links between higher education and the job market
6. Improving the quality of Vocational Educational Training and school to work transitions

Action Plan for Implementation of the Key Priorities (as provided by the Government)

No.	Priorities	Actions and Indicators	Timeframe	Responsible institutions
I. Good Governance and the Rule of Law				
1.1	Reviewing and adopting legislation making mandatory the suspension and/or removal of public officials respectively indicted and convicted for corruption.	1. Concept document on amendment of the applicable legislation to ensure mandatory suspension and/or removal of public officials respectively indicted and convicted for corruption 2. Adoption of the legislation to ensure mandatory suspension and/or removal of public officials respectively indicted and convicted for corruption	Q4 2016	MoJ President Assembly
1.2	Amending the law on conflict of interest and related regulations bringing them in line with European standards and indicating the exact circumstances in which public officials may take on additional employment and appointments	1. The Law on Prevention of Conflict of Interest in Discharge of Public Functions, to be amended, in line with EU recommendations: a. The categories of public officials need to be clearly defined; b. There should be a clear indication as to which activities officials are permitted and not permitted to do while in office; c. There should be a clear indication as to which activities officials are banned from performing after they have left the office; d. There should be clear indication as to the obligations of officials and their superiors in the situation of the conflict of interest; e. There should be clear indication of the procedures that should be set in motion once the conflict of interest arises.	Q4 2016	MoJ Assembly
1.3	Ensuring the transparency and accountability of funding for political parties: a. Carry out independent audits of political parties finances for 2013-2015	1. Publish financial reports of political parties and take effective enforcement action against those that do not; 2. Provide adequate funding for procuring auditing services for political party financial	1-3: Q4 2016,	OPM, CEC, Assembly (Presidency, Committee on Oversight of

No.	Priorities	Actions and Indicators	Timeframe	Responsible institutions
	b. Ensure the publication of financial reports of political parties as foreseen in the law	reports; 3. Select independent auditors through an open call; 4. Amend the Law on Financing of Political Parties to ensure transparency, accountability and effective enforcement and sanctions, on the basis of wide public consultations.	4: Q4 2017	Public Finances, Secretariat)
1.4	Carrying out an independent review of the accountability mechanisms of all independent institutions, agencies and regulatory bodies, following up on its recommendations, and adopting legislative measures that clearly define the roles, responsibilities and lines of accountability of these institutions	1. Conduct a qualitative analysis review of independent agencies and independent regulatory agencies (analysis on regulation of employment relationship, salaries, establishment and organization of agencies); 2. Commit to implementing the recommendations of that qualitative analysis; 3. Develop a concept document for the draft-law on the organization of public administration; civil service and salaries 4. Adoption of the legislative package on: civil service; salaries and organization of public administration.	Q4 2016 Q4 2016 Q4 2017	MPA Assembly MoF OPM
1.5	Ensure that the planned legislative package covering civil service, salaries and organisation of state administration is prepared in a coordinated way in an inclusive and evidence-based process on the basis of concept notes agreed at the government level	1. Develop concept documents for the draft-laws on: civil service, salaries and the organization of public administration; and, 2. Adoption of the legislative package on: civil service; salaries and organization of public administration.	Q4 2016 Q4 2017	MPA Assembly MoF OPM
1.6	Ensuring transparent, merit-based and non-political selection processes in line with the law for all independent institutions, agencies and regulatory bodies as well as in public companies, full implementation the recommendations by the Kosovo Anti-Corruption Agency (AKK-DLK-3113/15).	a. Amendment of the applicable legislation for the selection of independent institutions in order to ensure robust and transparent and merit-based candidate selection procedures: <ul style="list-style-type: none"> – Publication of CVs of short-listed candidates – Inclusion of civil society in the selection committees, on the basis of a transparent 	a. 2016-2017	OPM Assembly

No.	Priorities	Actions and Indicators	Timeframe	Responsible institutions
		<p>and open selection of civil society representatives;</p> <ul style="list-style-type: none"> - Strengthening and clarifying minimum requirements for candidates, by including criteria analogous to Art.17 paragraph 2 of the Law on POEs, for instance, in the amendments to the Law on Conflict of Interest, thereby making them applicable to all independent agencies and regulatory bodies. <p>b. Government commits to act on the recommendations issued by ACA of 15.02.2016 (AKK-DLK-3113/15) concerning appointments to 9 boards of POEs:</p> <ul style="list-style-type: none"> - The sworn affidavit form/declaration to be amended to reflect the law for all future appointments - OPM to take action under Art 17.5 of the law (i.e. 17.5 Each person holding or applying for a director position shall execute a sworn affidavit truthfully attesting that he meets the eligibility, independence and professional suitability requirements of paragraphs 1-3 of this Article. Any material misrepresentation - whether intentional or the result of negligence - or any material change in the information set forth in such affidavit shall result in the immediate disqualification and, if applicable, termination of such person.) - OPM to take actions against officials which drafted this form/declaration which is not in accordance with the law. 	b. Q4 2016	

No.	Priorities	Actions and Indicators	Timeframe	Responsible institutions
		<ul style="list-style-type: none"> – Ensure the implementation of the MoU signed between the Assembly the Government on the one hand and the UK Embassy in Prishtina on the other, for the appointments of board members of independent institutions and agencies. 		
1.7	Implementing the government decision of March 2016 on introducing mandatory electronic procurement, along with the indicated timelines	<ol style="list-style-type: none"> 1. The beginning of the second phase of the pilot project of e-procurement 2. Implementation of changes amended Procurement Law in the electronic platform 3. Training of public officials at local level 4. Certification of public officers at Central level 5. Certification of public officers at Local level 6. Test on electronic procurement modules 7. Development of operational guidelines on e-procurement. The Government should provide standard machine readable data in real time of procurement contracts to the public. 	<ol style="list-style-type: none"> 1. July - September 2016 2. July - December 2016 3. July - December 2016 4. September 2016 5. December 2016 6. 5 September 2016 7. September - December 2016 	MoF PPRC
1.8	Reinforce the capacity of the Economic Department and Fiscal Division in the Administrative Department of the First Instance Court in Pristina including in the areas of tax and customs, with a view to reduce the backlog of cases	The KJC will carry out a needs assessment for the increase of the number of judges in the Economic Basic Courts. The assessment will determine what are the budget costs as well as human capacities needed for reducing the backlog of cases in the economic basic courts.	Q1 2017	KJC
1.9	Continue to strengthen the track record on the fight against corruption and organised crime, including through reinforcing the capacity of the Special Prosecution Office investigating and prosecuting high-level cases.	1. Amendment of the Law on State Prosecutor in order to enable the increase of the number of prosecutors in the Special Prosecution Office investigating and prosecuting high-level corruption and organised crime cases.	Q2 2017	MoJ KJI

No.	Priorities	Actions and Indicators	Timeframe	Responsible institutions
		2. Provide training to strengthen the capacity of the Special Prosecution Office to conduct financial investigation and confiscate assets.		
II. Competitiveness and Investment Climate				
2.1	<p>Promoting foreign direct investments</p> <p>a) Significantly strengthen the capacity and enhance the internal portfolio organisation of the Kosovo Investment Agency to allow it to improve its performance for promotion and support to investment, private sector and SME development</p> <p>b) Create an investor servicing and aftercare program for potential investors and an investors' grievance mechanism having sufficient competences to provide such services</p>	<p>a.1. Deep review of KIESA scope of responsibilities, its activities and job descriptions;</p> <p>a.2. Restructuring of KIESA to enable it to efficiently carry out its responsibilities and implement priorities, allocation of an adequate resources and recruitment of qualified employees;</p> <p>a.3. Develop capacities of KIESA staff to design and implement services and programs;</p> <p>a.4. Establish an Advisory Board within KIESA with participation of business community and strong involvement of PM Office;</p> <p>b.1. Prepare and start implementing the services and aftercare programs for investors;</p>	<p>a.1. Q1 2017</p> <p>a.2. Q3 2017</p> <p>a.3. Q3 2017</p> <p>a.4. Q3 2017</p> <p>b.1. Q4 2017</p>	MTI OPM
2.2	<p>Improving the business environment</p> <p>a. Focus on improving the World Bank 'Doing Business' indicators</p>	<p>a.1. National Economic Development Council facilitates the Doing Business reform by focusing on deliverables and achievements on its regular meetings;</p> <p>a.2. Improve rankings for resolving insolvency by effectively implementing the legal framework for bankruptcy;</p> <p>a.3. Cut procedures, time and cost for</p>	<p>a.1. 2016/2017</p> <p>a.2. Q4 2017</p> <p>a.3. Q4 2017</p>	MTI MESp MoF KJC

No.	Priorities	Actions and Indicators	Timeframe	Responsible institutions
	<p>b. Align rules with international accounting, auditing and financial reporting standards</p> <p>c. Reduce the regulatory burden to firms, in particular by making transparent the fees and procedures required to get permits and licences</p> <p>d. Introduce legislative changes to improve the management, coordination and enforcement of market surveillance</p>	<p>obtaining construction permits including by amending the Administrative Instruction No.10/2013 on Setting Procedures for Submission and Review of Applications for Terms of Construction and Construction Permits in Q2 2017;</p> <p>a.4. The online business registration is made available;</p> <p>a.5. The business number is unified;</p> <p>b.1. Law on Accounting, Financial Reporting and Audit drafted;</p> <p>b.2. Public consultations with Civil Society and development partners held;</p> <p>b.3. Law adopted by the Assembly;</p> <p>c.1. New law on business organizations is consulted with civil society and relevant stakeholders and adopted;</p> <p>c.2. Secondary legislation of the law on business organizations adopted;</p> <p>c.3. The online Central Register for Licences and Permits is further updated including the fees and procedures required to get permits and uploading of application forms to the database;</p> <p>d.1. Law on General Inspections drafted to reform key procedural, institutional and functional aspects</p> <p>d.2 Public consultations with Civil Society and other relevant stakeholders held;</p> <p>d.3. Law on General Inspections adopted;</p>	<p>a.4. Q2 2017;</p> <p>a.5. Q4 2017</p> <p>b.1. Q4 2016</p> <p>b.2. Q4 2016</p> <p>b.3. Q1 2017</p> <p>c.1. Q2 2017</p> <p>c.2. Q4 2017</p> <p>c.3. Q3 2017</p> <p>d.1. Q3 2017</p> <p>d.2. Q3 2017</p> <p>d.3. Q4 2017</p>	

No.	Priorities	Actions and Indicators	Timeframe	Responsible institutions
	e. Align legislation, enhance capacity of Competition and State Aid bodies and ensure they start implementing their mandates	<ul style="list-style-type: none"> e.1. Strengthen internal procedures and capacity in the Kosovo Competition Authority to conduct investigations e.2. Competition Authority to research and prepare a report on the state of play of monopolies in the market in Kosovo with appropriate recommendations e.3. Align and amend the Law on State Aid and align the secondary legislation e.4. Ensure the operational independence of and sufficient capacity for the State Aid Commission to improve the effectiveness of its control on State aid 	<ul style="list-style-type: none"> e.1. Q4 2016 e.2. Q4 2017 e.3. Q1 2017 e.4. Q1 2017 	
2.3	Systematically implement the adopted strategy and action plan to fight informal economy	<ul style="list-style-type: none"> 1. Conduct independent sectoral risk assessment focusing on most vulnerable sectors to informal economy, financial crimes, money laundering, terrorism financing (covering the gender aspect) 2. Revise the Action Plan taking into account the risk assessment findings 3. Further improve tax compliance and enforcement in order to protect fiscal interest of the state, to ensure employees' rights and to ensure fair competition in the business area. 4. Strengthen the multi-agency approach and mechanisms in the field of anti-money laundering, financial crime, terrorism financing and corruption, including prevention, investigations, assessments and operations (IPA 2015 project to assist) 5. Regular quarterly reports prepared, 	<ul style="list-style-type: none"> 1. Q3 2017 2. Q3 2017 3. Q4 2016 / Q4 2017 4. Q4 2017 5. 2016/2017 	MoF

No.	Priorities	Actions and Indicators	Timeframe	Responsible institutions
		consulted and published**		
2.4	<p>Supporting SMEs development</p> <p>a) Follow up on the 'Small Business Act' assessment recommendations</p> <p>b) Adopt concrete measures to improve quality infrastructure and standards</p>	<p>a.1. The structure for SBA coordination is established, including point of contacts for each Ministry;</p> <p>a.2. KIESA to strengthen the Government wide coordination efforts for implementing the Small Business Act assessment recommendations including through the regular coordination meetings</p> <p>b.1. Upgrade and regularly update the website to serve as an online information platform for businesses including on quality infrastructure</p> <p>b.2. 10 workshops organized with the purpose of informing businesses about quality infrastructure and obligations from specific vertical legislation including the promotion of website as an information platform</p> <p>b.3. Further develop human capacities in the area of quality infrastructure including through the training of staff (30 modules of trainings to be organised) and conformity assessment bodies</p> <p>b.4. 1,500 new standards adopted with focus in harmonised area</p> <p>b.5. The existing metrological laboratories supplied with equipment;</p> <p>b.6. Law on services drafted and consulted with civil society and other relevant stakeholders</p>	<p>a.1. Q4 2016</p> <p>a.2. Q4 2017</p> <p>b.1. Q4 2017</p> <p>b.2. 2016/2017</p> <p>b.3. Q4 2017</p> <p>b.4. Q4 2017</p> <p>b.5. Q4 2017</p> <p>b.6. Q1 2017</p>	MTI

No.	Priorities	Actions and Indicators	Timeframe	Responsible institutions
	<p>c) Introduce export programmes and instruments to help SMEs integrate into global value chains in order to support their internationalisation</p> <p>d) Adopt measures to deepen and widen financial intermediation to increase the access to finance for SMEs</p>	<p>b.7. Law on services adopted (partial transposition of the services directive 123/EC);</p> <p>b.8. Point of Single Contact for Services established and operational</p> <p>c.1. Businesses supported to enhance their product conformity (product certification) and their internationalisation</p> <p>c.2. Kosovo joins the Enterprise Europe Network</p> <p>c.3. Kosovo participates in the COSME programme to support SMEs in facilitating access to finance, improving access to markets and enhancing competitiveness and entrepreneurial culture</p> <p>d.1 Adoption of Law Banks, Microfinance Institutions and Non-bank Financial Institutions</p> <p>d.2. Make operational the Kosovo Credit Guarantee Fund (KCGF)</p>	<p>b.7. Q2 2017</p> <p>b.8. Q4 2017</p> <p>c.1. Q4 2017</p> <p>c.2. Q3 2017</p> <p>c.3. Q3 2017</p> <p>d.1. Q2 2017</p> <p>d.2. Q4 2017</p>	
2.5	Further develop a number of sectorial statistics key to policy making in the area of national accounts, business statistics, energy and social statistics	<ol style="list-style-type: none"> 1. Publication delays shortened for relevant annual and quarterly GDP and government account statistics including the timely publication of government finance statistics with the ESA 2010 methodology; 2. Production and publication of short term business statistics improved (industrial production volume and price indices); 3. Results from the Labour Force Survey 	<ol style="list-style-type: none"> 1. Q4/2017 for quarterly GDP 2018 for annual GDP and GFS 2. Q4 2017 Industrial Production Index 3. Q4 2017 	KAS

No.	Priorities	Actions and Indicators	Timeframe	Responsible institutions
		<p>statistics disseminated on a quarterly basis and their quality improved;</p> <p>4. Income and living conditions Survey conducted;</p> <p>5. Publication of energy statistics shortened and annual energy efficiency statistics produced in line with international standards;</p>	<p>4. Q4 2017</p> <p>5. Q4 2018</p>	
2.6	<p>Enhancing the regional connectivity</p> <p>a) Implement the prioritized individual public investment projects, in particular by adopting the revised Report on the implementation for the investment clause, on the basis of the 'Single Project Pipeline'</p> <p>b) Implement all outstanding connectivity 'soft measures' and relevant policy reforms on transport and energy</p>	<p>a.1 Government adopts revised Report on the implementation for the investment clause;</p> <p>a.2. The number of financial agreements ratified in Parliament in relation to projects within the Investment Clause approved by the NIC and the Government;</p> <p><u>Energy</u></p> <p>6.b.i. Secondary legislation deriving from primary legislation, adopted;</p> <p>6.b.ii Energy prices deregulated:</p> <ol style="list-style-type: none"> 1. Rule on Distribution System Operator Pricing (DSO Pricing Rule), amended and adopted; 2. Rule on Public Electricity Supplier Pricing (PES Pricing Rule), adopted; 3. Rule on Transmission System Operator and Market Operator Pricing (TSO/MO Pricing Rule), adopted; <p>6.b.iii. Joint energy market with Albania, established;</p> <p>6.b iv. Energy stock market with Albania - KOSTT (Day ahead and Intraday) established;</p>	<p>6. a.1. Q4 2016</p> <p>6.a.2. Q4 2017</p> <p>6.b.i. Q2 2017</p> <p>6.b.ii. Q4 2017</p> <p>6.b.iii. Q4 2016</p> <p>6.b.iv. Q4 2016</p>	<p>MEI MoF</p> <p>MED MI ERO KOSTT</p>

No.	Priorities	Actions and Indicators	Timeframe	Responsible institutions
		<p>6.b.v. New energy electricity suppliers, in place;</p> <p>6.b.vi. Agreement between KOSTT-EMS, implemented;</p> <p>6.b.vii. KOSTT Grid code with the ENTSO-E, harmonised</p> <p><u>Transport</u></p> <p>6.b.1. Opening of the transport market;</p> <p>6.b.1.1. Implementation of rail reform strategy;</p> <p>6.b.2. Establishment of competitive, reliable and safe transport system;</p> <p>6.b.2.1 Improvement of road safety. Targeting the reduction of fatalities by 20% compared to reference year 2014;</p> <p>6.b.2.2. Trade and Transport Facilitation;</p> <p>6.b.2.3. Intelligent Transport System (ITS) deployment on the Core Network;</p> <p>6.b.2.4. Establishment of functioning maintenance system ensuring no section in poor /very poor condition;</p> <p>6.b.3 Increasing effectiveness of Border Crossing Procedures;</p> <p>6.b.3.1. Effective Border Crossing Agreements;</p> <p>6.b.3.2. Implementation of Integrated Border Management (IBM) strategy;</p>	<p>6.b.v. Q4 2016</p> <p>6.b.vi. Q4 2016</p> <p>6.b.vii. Q4 2016</p> <p>6.b.1. Q2 2017</p> <p>6.b.1.1. Q2 2017</p> <p>6.b.2. Q2 2017</p> <p>6.b.2.1 Q2 2017</p> <p>6.b.2.2 Q2 2017</p> <p>6.b.2.3 Q2 2017</p> <p>6.b.2.4. Q2 2017</p> <p>6.b.3. Q2 2017</p> <p>6.b.3.1. Q2 2017</p> <p>6.b.3.2. Q2 2017</p>	<p>MI</p> <p>MTI</p> <p>MIA</p> <p>MoF</p>
2.7	<p>2.7. Enhancing energy security and adopting a comprehensive energy strategy for the period 2017-2026</p> <p>a. Decide on the ownership modalities for Kosovo B and on the new investments in power generation, and decommissioning of</p>	<p>7. Adopt a comprehensive energy strategy for the period 2016-2025 which is in line with EU environmental and social standards</p> <p>7.a. i. Decision on the ownership modalities of Kosovo B, taken;</p> <p>7.a.ii. New Investments in Power generation (all</p>	<p>7. Q4 2016</p> <p>7.a.i. Q4 2017</p> <p>7.a.ii: Q4 2017</p>	<p>MED</p> <p>MESP</p>

No.	Priorities	Actions and Indicators	Timeframe	Responsible institutions
	<p>Kosovo A</p> <p>b. Adopt an updated Action Plan on renewables</p> <p>c. Assessment of the best modalities for the establishment of the mechanism for the financing of energy efficiency and environmental measures in the public and residential sectors and promote the full use of the existing initiatives like the Regional Efficiency Programme</p>	<p>sources):</p> <p>7.a.iii. Deadline for the decommissioning of Kosovo A to be fixed;</p> <p>7.b.i. Second report on the progress of implementation of National Action Plan for RES, prepared;</p> <p>7.b.ii. Adoption of the updated plan on renewable, including appropriate measures to ensure Kosovo is reaching the 25% renewable energy targets in 2020;</p> <p>7.c.i. TAIEX mission to assess modalities of a financing mechanism for energy efficiency and environment measures carried out;</p> <p>7.c.ii. Assessment and decision taken on the modalities of a financing mechanism to support investments in energy efficiency and environment;</p> <p>7.c.iii. Adoption of the action plan on energy efficiency 2016-2018;</p> <p>7.c.iv. Adoption of the law on Energy Performance of Buildings;</p> <p>7.c.v. Adoption of the secondary legislation transposing the Directive 2010/31/EU through a) Regulation on setting the minimum energy performance in new residential buildings, buildings under renovation and other types of housing buildings, b) Regulation on the energy performance certificate for new buildings and other buildings, and c)</p>	<p>7.a.iii. Q1 2017</p> <p>7.b.i. Q1 2017</p> <p>7.b.ii. Q3 2017</p> <p>7.c.i. Q1 2017</p> <p>7.c.ii. Q3 2017</p> <p>7.c.iii. Q4 2016</p> <p>7.c.iv. Q4 2016</p> <p>7.c.v. Q2 2017</p>	

No.	Priorities	Actions and Indicators	Timeframe	Responsible institutions
		Regulation on inspection of heating system and air conditioning equipment;		
III. Employment and Education				
3.1	Adopt and implement the Sectorial Strategy for Employment and Social Policy 2015- 2020 and adopt the 2017-2018 Action Plan for the implementation of the strategy	1. Sectorial Strategy is drafted and consulted with relevant stakeholders including the donor community; 2. Sectorial Strategy and its Action Plan adopted. 3. Budget for the implementation of the strategy allocated.	1. Q4 2016 2. Q2 2017	MLSW MCYS MEST
3.2	a) Set up an action plan for tackling youth unemployment based on an assessment of the challenges and focussing on improving education outcomes and supporting school-to-work transitions b) Take measures to increase labour market participation of women.	a.1 Action Plan with clear indicators for tackling youth unemployment is drafted a.2 Draft Action Plan is consulted with relevant stakeholders including the donor community a.3 Action Plan with clear indicators for tackling youth unemployment is adopted b.1 Increase the assistance received by women by the Employment service b.2 Draft analysis of the obstacles to female employment done in consultations with relevant stakeholders b.3 Use the analysis to develop accurate measures for improving women unemployment	a.1 Q4 2016 a.2 Q1 2017 a.3 Q1 2017 b.1 Q1 2017 b.2 Q2 2017 b.3 Q3 2017	MLSW
3.3	Ensure the implementation of the law on the Agency for Employment, in particular by fully operationalising the Agency for Employment and allocating the necessary budget to ensure that it is able to roll out active labour market measures with tangible results.	1. Develop a Labour Market needs assessment (including on VET) 2. Selection completed of the Director of Employment Agency and the Advisory Board and work regulations adopted for Employment Agency; 3. Active labour market measures implemented by Employment Agency (calls for applications launched, financial support delivered according to the outcomes of the calls);	1. Q1 2017 2. Q4 2016 3. Q2 2017	MLSW

No.	Priorities	Actions and Indicators	Timeframe	Responsible institutions
3.4	Adopt outstanding legislation providing the basis for policy reforms in the education sector	1. Revised Draft law on Higher Education in Kosovo is adopted; 2. Draft Law on regulated Professions in Kosovo is adopted; 3. Kosovo Education Strategic Plan 2017-2021 is adopted by the Government and necessary budget is allocated to ensure its implementation;	1. Q1 2017 2. Q2 2017 3. Q4 2016	MEST
3.5	Improve the quality of education by: a. Increasing the attendance of pre-school education b. Conducting assessment/external evaluation and accelerate implementation of new curricula including with new textbooks in pre-university education c. Establishing mechanisms to evaluate and enhance initial and in-service teacher training programmes.	a.1 Number of public childcare facilities for children 0-5 years is increased b.1. Core curriculum for preschool education developed and its piloting phase started b.2 Core Curriculum Framework for Pre-University (of 2011 and 2012) reviewed and approved and learning outcomes for subject and grades developed in piloted schools; b.3 Core Curriculum Framework for Pre-University and syllabus for grades and subjects reviewed and approved with subsequent implementation in all schools starting from 2017/2018 school years; c.1. Quality assurance mechanisms developed by appointing quality coordinators in schools and establishing efficient school performance assessment system; c.2. Agency for Curriculum, Standards and Assessment is established and fully operationalized; c.3. Revised Draft Law on Education Inspectorate in Kosovo is adopted by the Assembly and inspectors start its activities, with inspectors and sufficient capacities	a.1. Q3 2017 b.1. Q4 2017 b.2. Q2 2017 b.3. Q4 2017 c.1. Q2 2017 c.2. Q2 2017 c.3. Q4 2017	MEST

No.	Priorities	Actions and Indicators	Timeframe	Responsible institutions
	<p>d. Improving the overall quality of Higher Education</p> <p>e. Fostering better links between higher education and the job market, by facilitating and incentivising the setting up of industrial boards at Universities that advise HEIs on the relevance of study curricula, identify skills gaps in graduates, participate in training and teaching (visitors, seminars) and offer traineeships and practical work experience to students</p>	<p>d.1. Set up and operationalize Industrial Councils</p> <p>d.2. Review study programmes and enrolment policies</p> <p>e.1 Draft proposal on setting up of industrial boards at Universities that advise HEIs is presented</p> <p>e.2 Proposal on setting up of industrial boards at Universities that advise HEIs is put in public consultations</p> <p>e.3 Proposal on setting up of industrial boards at Universities that advise HEIs is adopted and implementation starts</p>	<p>d.1 Q2 2017</p> <p>d.2 Q3 2017</p> <p>e.1 Q 1 2017</p> <p>e.2 Q 3 2017</p> <p>e.3 Q 3 2017</p>	
3.6	Improve the quality of Vocational Educational Training (VET) and school to work transitions	<p>a.1 Use the Labour Market Needs Assessment (done at point 3.3) as a basis.</p> <p>a.2 Improving the quality of Vocational and Training system by aligning VET to Labour Market needs by reviewing the profiles provided in VET schools and aligning it with labour market needs assessment</p> <p>a.3 Compiling core curricula for VET and starting its piloting phase</p> <p>a.4 Ensure proper funding for VET centres</p> <p>b.1 Improving education outcomes and supporting school to work transitions by ensuring internships with employers are expanded and included in studies programme</p>	<p>a.1 Q1 2017</p> <p>a.2 Q3 2017</p> <p>a.3 Q2 2017</p> <p>a.4 Q3 2017</p> <p>b.1 Q3 2017</p>	MEST NQF Agency for Employment