



Republika e Kosovës
Republika Kosova - Republic of Kosovo

Qeveria - Vlada – Government
Zyra e Kryeministrit – Ured Premijera – Office of the Prime Minister

Challenges in Positioning of ERP Republic of Kosovo

Office of Prime Minister

Strategic Planning Office

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Obstacles that prevent better integration of SR into your country's fiscal programming documents

- Political Instability – shift from one government to another may trigger a drastic change on the priorities of the country
- The link between the macroeconomic and budgetary frameworks and SR is poor due to lack of cooperation between policy-making department and finance departments within the LM
- Inadequate professional capacity of the administration
- MF involvement in early stages of planning on the ERP measures (budgetary analysts of MF covering different LMs).
- Better coordination with donors and IPA funds
- Cooperation/coordination between the political level and professional departments in line ministries is not sufficient for the preparation of the ERP.
- Lack of coordination between different institutions in cross-cutting areas.



Proposals on how to improve capacities for identification and good design of “traditional” SR aimed at stimulating economic growth and competitiveness

- Improve the capacities within the line ministries – through provision of trainings and advisory support to the policy making departments in the LMs since the early start of the planning cycle.
- Involving on early stages of other stakeholders into identification and articulation of the reforms from the early beginning of the planning, not only during the consultation process which is done by the end of the drafting of the ERP just before sending for government approval
- Data needs to be improved to better planning of structural reforms;
- Establishing monitoring mechanisms to measure the impact of the implementation of the measures



Preparation of “new” SR measures to mitigate direct negative implications of COVID-19 crisis, and / or at creating conditions for restoring economic growth

- Sharing information between MF and LMs on the recent impacts on the national budget due to the COVID -19 crisis/ fiscal impact of the measures for mitigating COVID- 19 impact.]
- Establishment of Government Working Groups for drafting mid-term actions plans to support the recovery of the economy after COVID
- Loss of Budget revenues have decreased and the fiscal space will due to COVID situation to be covered by international financial institutions loans.
- Mid- budget review with focus on short-term measures to address the impact of the COVID 19 crisis. Possible cuts on goods and Services and Capital Expenditures and then discuss with other line ministries and stakeholders how to merge (or alter) the existing structural reforms with the new needs or come with completely new ones.



Preparation of “new” SR measures to mitigate direct negative implications of COVID-19 crisis, and / or at creating conditions for restoring economic growth

- Other line ministries and stakeholders how to merge (or alter) the existing structural reforms with the new needs or come with completely new ones.
- Prioritization of projects that focusing (projects that are not of high priority can be postponed for next year)
- The political situation / the ratification of the financial agreements must be done in the assembly and the government is outgoing.



Challenges that prevent better alignment of the annual budget preparation cycle with the annual cycle for ERP preparation, and proposals how to improve the alignment of the two cycles.

- So far the all new activities proposed in the ERP should be priority budgeted by the Government budget or other donors budget. In case of Loans from the IFI's they should be approved by the Parliament. This way it was ensured consistency with the Budget.
- However, ERP preparation cycle should be better linked with budget preparation cycle, so that preparation of SR to start earlier and than correspond on the same period of the budgetary planning.