Draft
Strategy on Modernisation of Public Administration
2015-2020

September 2015
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ACRONYMS

KBRA  Kosovo Business Registration Agency
DCSA  Department of Civil Service Administration
DEIPC Department for European Integration and Policy Coordination
DMPAR Department for Management of Public Administration Reform
KIPA  Kosovo Institute of Public Administration
LOAP  Law on Organisation of Public Administration
LGAP  Law on the General Administrative Procedure
MPA   Ministry of Public Administration
MKSF  Ministry of Kosovo Security Force
KIOB  Kosovo Independent Oversight Board
OECD/SIGMA  Organisation for Economic Cooperation and Development/ Support for Improvement in Governance and Management
SO    Specific Objectives
AP    Action Plan
PAR   Public Administration Reform
SMPA  Strategy on Modernization of Public Administration
KCS  Kosovo Civil Service
OPM  Office of Prime Minister
1. **Executive Summary**

Public Administration Reform presents a platform on the success and result of which depends development and implementation of government policies in a broader context, particularly policies of economic development and delivery of services to citizens and businesses. Development of public administration and its administrative capacities are key tools on which depends the ability of the state to deal with reforms and meet the requirements for European integration of the country.

The Government of Republic of Kosovo, following many years of having led a complex process, which was a combination of step by step development of administrative structures, capacity development and reforms, is now focused on capacity development, defragmentation and rationalization of processes and services that administration delivers to citizens and other beneficiaries, based on professionalism and non-politicisation within civil service.

Based on practices and analyses on the new approach in Reforms of Administration, it is considered that a more efficient management of the process, efforts to eliminate barriers in organisation and implementation of reforms and the need to focus on results has conditioned the approach for division of its scope and management structures into three pillars of Public Administration Reform.

1. Development and coordination of policies and legislation – management of reforms in this area falls under the direct responsibility of the Office of Prime Minister.
2. Civil service, public service delivery and accountability are managed under the responsibility of MPA.

Strategy for Modernisation of Public Administration focuses in achieving results targeted in the second pillar, which relate to civil service, human resource management, public service delivery and accountability in public administration.

**Civil Service** – during the next medium term period, the Government, that is, Ministry of Public Administration will focus on selected priority policies for civil service, such as: strengthening monitoring of implementation of civil service legislation, finalization of law on salaries of public servants, implementation of the law on salaries of public servants and systematization of jobs (positions) by functionalizing the new salary
system. MPA will also increase efforts in establishing an E-administration at the most advanced level possible and digitalization of administrative processes as broadly as possible, including different electronic systems like functionalization of human resource management system.

Adoption of priorities will be followed by the implementation of training strategy for civil servants. In addition to identified training needs, Strategy for Modernization of Public Administration will serve as a roadmap in order to focus civil service training on priority areas, based on this strategy. In addition, full application of the new performance evaluation system will also help in better management of civil servants, the success of which will also depend on the quality of clear individual objectives that are based on institutional objectives, defined in the general plan of the Government. Such system will help civil servants in career development through mobility and promotion, respecting the principle of transparency and merit. While the new recruitment system shall set the criteria for admission in the civil service based on objective evaluation through testing, professional background and competition. Special emphasis shall be given to the ethnic and gender representation in accordance with the applicable legislation.

The government, that is, Ministry of Public Administration in order to improve administrative procedures and modernize public-administrative services will focus on priority policies, such as: setting a clear vision and policies based on thorough analysis related to modernization of public services through the application the new Law on General Administrative Procedure. Mechanisms will be established to guide, plan, monitor and evaluate the quality of public services and implementation of the law on general administrative procedure. One of the objectives would be to develop capacities for delivering good public services. Citizens should be kept constantly informed about their rights and the way how they can realize those rights, how to get public services, how to register and other issues that could be of interest for them. In addition, mechanisms will be established to measure the opinion on the quality of public services delivered by public bodies at both central and local level. In addition, public bodies that undertake administrative acts of general character should preliminarily hold consultations with civil society and citizens.

**Organisation and accountability in administration** – the projected priority policies for organisation and accountability of administration will be focused on: finalisation of Draft Law on Organisation of Public Administration and issuance of bylaws for its implementation. MPA will strengthen mechanisms to monitor the implementation of the law on organisation of state administration and will focus on implementation and strengthening of the system to ensure that principles of ethics and integrity are upheld in the civil service. Mechanisms to monitor implementation of Code of Ethics adopted in March 2015 will be strengthened. The role of OPM in monitoring implementation of the law on access to public documents should be strengthened by setting rules that will make institutions implement the law. Public bodies should be more proactive in posting
on official websites the information that is of public interest, and they [websites] should be maintained and updated regularly. Clear compensation policies and mechanisms should be ensured for cases when public authorities cause damages when taking decisions or with their actions or inactions.

In order to implement these policies, together with this strategy Government will also adopt the action plan which will define measures, activities, and indicators for achieving concrete results. Management structure for implementing this strategy will be supervised by the Government, while mechanisms built explicitly for this strategy shall be focused on results of the reform implementation, which will also be subject of assessment by nongovernmental and international mechanisms, in particular by the European Commission and OECD/SIGMA.

2. INTRODUCTION

The Strategy for Modernization of Public Administration 2015-2020 defines strategic objectives and policies that Government of the Republic of Kosovo intends to achieve in the next medium term period in order to improve functioning and modernisation of public administration, meet the legal requirements and improve service delivery.

Following two cycles of planning and implementation, the public administration reform remains a high priority for the Government of Kosovo. This third strategy in a row marks the beginning of a new era, in which circumstances are such that require intensification of dynamics of public administration reforms, as well as specific and implementable reformative policies. In the coming period, after consolidating the administration, the Government will focus in increasing efficiency of its work and improving services provided by the administration. In terms of modernisation of public administration, priority will be to enhance use of Information and Communication Technology in order to increase the level of application of electronic governance, which is a precondition for modernisation of public administration, and rationalisation, optimization and digitalization of administrative processes.

Implementation of this Strategy aims to create conditions so that administration would be oriented towards meeting the specific needs of citizens and businesses, and work for their interests. Efforts are expected to be made for reducing procedural and administrative barriers, lowering costs and time consumed when receiving administrative services, taking into account the proper access for disabled persons. When receiving services, citizens will be able to use information technology solutions, also suitable for disabled persons. Transparency in public administration, both concerning the spending public money as well as in decision-making, will ensure a greater accountability of institutions and officials when performing their tasks, which is a precondition for functioning of every institution that performs public function.
Objectives of the Strategy for modernization of public administration are determined by a number of factors and circumstances, such as:

- Government programming policies 2015-2018 have set the economic development and employment growth as the main priority. Effective public administration and administrative capacity for developing appropriate policies is a key factor for an economy that generates jobs and for improving the wellbeing of citizens. Strategic policy to put the administration in the service of development is also defined in the National Development Strategy, which is being developed.
- Recommendations and findings of the Government Report on Implementation of PAR Strategy 2010-2014, Assessment Reports of OECD/SIGMA, especially the report and priorities identified in the assessment of 2014 highlight the concentration of administration on specific measures for building professional capacity of civil service and ensuring accountability in public administration.
- Principles on Public Administration of OECD/SIGMA and outcome of reform prioritization process in administration conducted in the period July-October 2014 through a wide consultation with all relevant institutions involved in implementation of Strategy 2010-2013.

In addition to the need for the administration of Republic of Kosovo to have a strategic platform for improving its work, present Strategy is developed also based on a new context of situation in Kosovo and other regional countries as a result of EU Enlargement process and process of European Integration of Kosovo, because:

- Alongside the rule of law and E-governance, public administration reform is one of the pillars of the EU Enlargement Strategy 2014/2015.
- Conclusion of negotiations for the Stabilisation and Association Agreement between Kosovo and the EU, and positioning of Kosovo in a new context of European Integration requires building new capacities that will cope with European integration process and delivery of new services accessible for everybody according to best international and European practices.

Reforms that are expected to be conducted through this Strategy include a large number of institutions and officials. But the main responsibility to achieve the projected results will fall on the Ministry of Public Administration. This is different from previous reforms, when MPA was given the responsibility also for other segments of administration that were outside its functional responsibility. For instance, Minister of Public Administration had to report to the Government on implementation of the PAR Strategy, although it was Office of the Prime Minister, or the Ministry of Finance that were responsible for achieving/ not achieving the results. The MPA will be the main institution responsible for the results in implementation of this strategy in front of Council of Ministers on PAR and the Government. But, beneficiaries of administration services, including citizens and businesses, will be main instruments to measure its progress in the next medium term period.
3. Methodology

The Strategy for Modernization of Public Administration was developed with a methodology which aimed to ensure objectives and implementation measures which would result in a successful public administration reform process in Kosovo. The Principles of Public Administration of OECD/SIGMA adopted recently have served as a methodological roadmap for developing this strategy.

The strategy drafting process is divided into two phases: preparatory phase for strategy development, from April 2014 to December 2014, and strategy development phase, February – May 2015.

Preparatory phase for strategy development – Before drafting the strategy there were several processes that ensured a good information basis on the current situation in public administration, involvement of necessary segments of administration into process and consultation of best international practices.

After the drafting and adoption of Comprehensive Report on Implementation of Strategy 2010-2013 by the Government in July 2014, and before drafting the strategy there was a detailed consultation process with relevant institutions in order to identify priority policies that will be included in this strategy. Process of prioritizing reform policies followed the methodology applied by the OECD/SIGMA in all regional countries, based on principles of public administration agreed with the European Commission.

A Strategic Framework that emerged from the prioritization process was adopted by the Public Administration Reform Board in January 2015. The PAR strategic framework is a new concept document which includes potential areas as orientation for reform, political commitment for the process, including political leadership and technical coordination and monitoring of implementation.

Strategy drafting phase – Following the establishment of Council of Ministers on Public Administration Reform, a government working group has been established at the technical and experts level responsible to draft the strategic document and manage the process. Drafting of Strategy for Modernization of Public Administration 2015 – 2020, was supported by local and international experts funded by the OECD/SIGMA.

In addition to contribution given by members of the group during meetings, the draft strategy was circulated to all institutions involved in the process, and included a preliminary assessment made by the Strategic Planning Office/OPM. Written proposals sent by institutions were incorporated in the final draft, which was also consulted with
representatives of the European Commission Office in Kosovo and representatives of interested groups.

Draft Strategy for Modernization of Public Administration and Action Plan were subject to a public consultation process in July and August 2015. Public consultation on the Draft Strategy has consisted in its publication on the website of the Ministry of Public Administration, distribution of documents for comments and recommendations to institutions, donors, civil society organizations etc. Ministry of Public Administration, on 29 July 2015, also held a public debate with stakeholders including key government institutions, the Parliament, the main donors supporting the public administration reform in Kosovo, as well as civil society organizations. Comments and recommendations received during the consultation process are reflected in the Final Draft Strategy and Action Plan.

4. PUBLIC ADMINISTRATION POLICY FRAMEWORK

Strategic approach to Public Administration Reform in Kosovo has begun with the drafting and adoption of the strategy 2007-2013 and plan for its implementation. The policies related to public administration reform are incorporated in government documents which determine the Government priorities, such as:

- Government program 2015-2018 in which Government expresses commitment to continue public administration reforms and underlines priorities for the current government mandate.
- National Economic and Fiscal Reform Program 2015
- Public Administration Reform in Kosovo is expected to be one of priority policies of National Development Strategy which is being developed.
- National Strategy for European Integration adopted by the Council for European Integration chaired by the President.
- Medium Term Expenditure Framework as an instrument for budgeting planned policies.

Meanwhile, government has adopted some other strategic documents for specific areas which are either directly or indirectly linked with public administration.

- E-Governance Strategy 2009-2015
- Interoperability Framework of Republic of Kosovo
- Better Regulation Strategy 2014-2020
- National Strategy for Cooperation with Civil Society 2013-2017
- Draft Strategy for Training of Civil Servants 2015-2017

On the other hand, EU Enlargement Strategy 2014/2015 identifies the public administration reform as one of the challenges for integration of new countries in the European Union. According to this strategy, one of the first pillars of reform is the
requirement for a **Strategic framework for public administration reform — which includes the political commitment to the reform process, including political leadership and technical coordination and monitoring of implementation.**¹

Furthermore, the Kosovo Progress Report for 2014 mentions the progress and challenges that should be addressed in the future cycle of PAR policies. According to the report, challenges for the reform are:

- Kosovo needs to finalise the legislative framework for civil service and ensure its implementation, in particular the job catalogue and performance appraisal.
- Kosovo needs to adopt and enforce a law on general administrative procedures.
- Kosovo would benefit from engaging in more comprehensive public financial management reform.

### 5. Lessons Learned from the Reform Implementation Process during Previous Periods

The PAR Strategy 2007-2013 was a comprehensive policy document covering eight broad public administration areas: human resources, institutional structure, public administration management issues, communication with citizens, e-governance, financing in public administration, anti-corruption, and quality of policies and legislation. Action Plan for its implementation also followed the structure of the Strategy and provided a list of concrete actions, deadlines, responsible institutions and possible financial impacts of these actions.

The next policy cycle started with the Government adoption of second PAR Strategy 2010-2013 in September 2010 and Action Plan 2011-2014 for its implementation. Compared to the previous PAR strategy, the scope of this strategy was much broader. It covered 12 public administration areas and each of them was formulated by a key objective, followed by a number of sub-objectives.

The main problems identified in the strategic development process during the two cycles of PAR policies, especially in the last strategy² are as follows:

- **The broad and dispersed scope of PAR Strategy.** The horizontal distribution of PAR Strategy was very broad and ambitious. It covered 12 areas, while its 12 strategic objectives were broken down into 39 sub-objectives.

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• A very broad horizontal coordination structure and three levels of vertical management structures - PAR Inter-ministerial Committee, PAR Working Group and working subgroups in 12 areas of reform.

• The lack of clear prioritization between objectives. The initial goal of PAR Strategy was to serve as an "umbrella document", which would have a strategic view on all PAR related issues and would provide a number of horizontal strategies within each area that would transform overall objectives into specific targets and concrete activities. This approach was not followed during the implementation.

• Action plans overloaded with certain activities irrelevant for the time. They included real reform activities as well as ordinary ones. Number of activities also produced a large number of monitoring tasks, which led to poor quality of reporting due to limited capacities within ministries that were responsible for implementing them.

• Performance monitoring focused on the process, not results. The PAR process lacked formal assessment of progress. Reports issued from functional reviews were supposed to play this role, but they were conducted and driven externally, maintaining external ownership. With the exception of last one, most reports on implementation focused only on fulfilment of activities rather than on results that were generated.

• Failure to set separate budget codes for activities based on the Action Plan.

Now it is required to have a planning framework and concentrate resources in concrete and implementable policies. These elements are taken into consideration during the entire preliminary process of drafting the strategy, in terms of establishment of management and coordination structures, in defining key reforms, establishing the accountability system for institutions that are responsible to achieve results in planned reforms and report on them.


The broad scope of previous PAR strategy, lack of prioritization of reform policies and complexity in functioning of management and coordination structures are considered among reasons that have had an impact on the success of reform. Therefore, the following alternatives have been reviewed before deciding on the scope and mechanisms of reform management in the next phases:

Option 1: Strengthening of planning, coordination and monitoring according to the model of PAR Strategy 2010-2013 - This option is considered to have few changes in the strategic framework and management structures compared to previous system. But instead, this option would focus on improving the quality of planning and concentrate on certain reforms.
In practice, this option would mean a single PAR Strategy and Action Plan that covers a smaller number of policy objectives, but that will cover all areas of PAR identified in the EU Enlargement Strategy and Main Challenges 2014-15.

**Option 2: The division of reform areas based on institutional responsibility and authority**

– In practice, this option means:

* The mechanism of overall management and coordination of PAR as part of overall coordination mechanism the Government, under the leadership of Council for Public Administration Reform chaired by the Minister of MPA.

* The division of the scope of reform by institutional areas and responsibilities of institutions responsible for their implementation. This would mean the establishment of three pillars for PAR. Each pillar requires a specific and detailed planning document, and a specific mechanism for management and coordination led by the responsible institution. Proposed and established pillars are divided as follows:

  1. **Development and coordination of policies and legislation** – management of reforms in this area falls under the responsibility of the Office of Prime Minister;
  2. **Civil Service, human resource management, public-administrative service delivery and accountability** are managed under the responsibility of the MPA;
  3. **Public Financial Management** - falls under the responsibility of Ministry of Finance

Selection of second option is a result of conclusions from the Comprehensive Report on the implementation of the PAR Strategy 2010-2013 adopted by the government, reports the OECD / SIGMA, numerous discussions held at the level of experts and in the Council of Ministers on PAR.

The general scope of Public Administration Reform is defined with policy solutions which are dedicated and include three above mentioned areas/ pillars. Whereas policies that fall under the second area/ pillar – civil service, public service delivery and accountability - are addressed through the Strategy for Modernisation of Public Administration 2015 – 2020.

Each institution leading the relevant area/ pillar according to the Government Decision 9/13 of 2015 has the discretion to select the approach, methods and measures for reforms within the reform framework. These institutions through General Secretaries as area coordinators are responsible to report to the Council of Public Administration Reform on the progress and/or challenges in the implementation of reforms in respective areas. Department for Public Administration Reform Management will be responsible to monitor achievement of results according to strategic documents defined by the respective institution.
On the other side, it was assessed that through the Strategy for Modernisation of Public Administration MPA will focus on specific areas that fall under its responsibility and on policies that will influence on the improvement of efficiency and professionalism in the work of civil service and on aspects of modernisation of public administration by improving administrative processes and providing easier access to services delivered by administration. Areas in which this strategy aims to direct resources and capacities in the next medium-term plan are:

- Management and development of the civil service.
- Administrative procedures and provision of administrative services.
- Organization of public administration and accountability.

On the other hand, SMPA 2015 – 2020 as part of general reform of public administration and system for its management and monitoring system will be part of the overall integrated planning system in the Government. It will be one of the instruments for implementation of reforms specified in the National Development Strategy. MPA is the main responsible institution but the selected reforms will extend in all institutions at central and local level in accordance with the targeted areas. Three strategic objectives are set for implementation of challenges that emerged from these areas of reform. The strategy will have sub-objectives and measure for their implementation.

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7. Analysis of the Situation and Challenges

![Diagram](image_url)
General information on the background of public administration reform process in Kosovo is given in sections above. What follows is an analysis of the situation and future challenges in areas where the SMPA 2015 – 2020 is focused.

7.1. CIVIL SERVICE

The civil service in Kosovo and generally the administration began to be built immediately after the establishment of UNMIK administration in 1999/2000. Basic principles and rules of civil service are set by Regulation 2001/36, which is followed by a large number of bylaws. Its building process has been very complex, be that under UNMIK administrative structures or after the declaration of independence of Republic of Kosovo.

Civil service reform is broad, complex and accompanied by numerous challenges. Kosovo civil service comprises about 19,000 employees who are spread in all institutions of public administration at the local and central level.

Following the adoption of the Law on Civil Servants and the Law on Salaries of Civil Servants in 2010 the main challenge is and remains their implementation, despite the adoption of bylaws for their implementation, as the first step of civil service reform. The main challenges for implementation of these laws and bylaws are:

1. Delays in implementation of the system of classification of jobs and new payroll system although the system was designed according to the Law on Salaries, which was adopted in 2010 and the Regulation on the Job Classification in Civil Service which was adopted in 2012.

2. Delays in functionalization of information management system in the civil service and poor system of monitoring the implementation of civil service legislation.

3. The process of recruitment and promotion in the civil service, impossibility to fully implement principles of civil service for a non-political, merit based recruitment, and increasing professionalism.

4. The lack of a strategic approach in the development of civil service and development of training not based on the needs of the civil service.

5. The unclear system of accountability, lack of adherence to the principles of the code of ethics in the civil service.\(^3\)

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\(^3\) This challenge is elaborated in chapter on organisation of public administration and accountability.
1. Starting the implementation of the new system of classification of jobs and new payroll system - has left hostage the reforms in many segments of civil service although legislation was adopted in 2010. According to the system that was built according to UNMIK legislation institutions use a wide discretion for distributing officers in different ranks and positions, and for creating job positions. The lack of a catalogue of jobs led to unequal situation and comparative differences between institutions in public administration, as noted by many respondents during the assessment (OECD/SIGMA). Also, an analysis of spending on wages and salaries for the total number of jobs in a sample of public institutions indicated major differences in salaries between institutions”4. There are numerous cases when officials with the same job description and same responsibility have different salary level.

The new system established with the Law on Salaries of Civil Servants includes four categories and 14 grades for job positions. For each category there are 12 steps which can be set for civil servants based on their performance.5 The government is currently working in drafting the draft law on salaries in the public sector. The law is envisaged to regulate the salary system for all public servants at all levels and categories including the civil service. The Law will also include salary system for civil servants as regulated by the Law on salaries of civil servants.

The implementation of the new salary system depends from the implementation of job classification and evaluation of performance at work, implementation of which is a prerequisite for effective implementation of the payroll system. The preliminary steps that impact job classification are:

- Adoption of regulations on internal organization and job classification, and their systematization in all public administration institutions based on the Catalogue of Jobs that has been adopted by the government. Now all ministries (except MKSF) have adopted these regulations. The adoption of regulations for executive agencies and independent institutions in under way6. While such regulations have not been adopted in municipalities.

- Another step towards implementation of new salary and grading system was the adoption of a catalogue of jobs in the Kosovo civil service in January 2015. The process of harmonisation and establishment of positions according to the catalogue has already started and presents a substantial challenge for the MPA and other institutions at central and local level. Apart from this, the catalogue needs to be revised to eliminate any weaknesses identified during its implementation.

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4 Assessment of OECD/SIGMA 2014 page 33.
5 Law No. 03/L-147 on salaries of civil servants, 2010
6 There is a need for functional review of administrations at the municipal level. This was one of challenges in the Progress Report of European Commission for 2014. But besides segments that are directly linked with objectives foreseen in this strategy, functional review at the local level and internal organisation of administrations at the municipal level are not at the focus of this strategy.
- Starting the implementation of the new system of performance evaluation, which began by the end of 2014. A challenge that would impact its success will be to improve the planning system at institutional level. MPA must also consider the needs for clarification with institutions for implementation of new system of performance evaluation

The challenge of implementing a new salary and grading system according to the Law on Salaries in Civil Service is also emphasized in the Progress Report of European Commission, according to which "Kosovo needs to finalise the legislative framework for the civil service and ensure its implementation, in particular the job catalogue and performance appraisal". In addition to clarifying and defining clear individual and institutional duties, creating equality in the civil service, increasing efficiency, these reforms will enable clarification of the status of civil service in institutions and enables calculation of total costs of civil service as proportion to other costs of public administration.

2. **Information Management System in the Civil Service (HRIMS)** – after many years of work and effort, the system has been functionalized and is in initial stage of its application for certain modules. The system that was built and that is managed by Department of Civil Service Administration (MPA) is extended to all institutions of public administration at central and local levels. Full implementation of the system is the main key of success in the management of civil service and will address a number of shortcomings in the way of its functioning until now.

When seen in retrospective but also seeing the current situation, the information that would allow MPA to plan and monitor implementation of policies in the civil service are incomplete and inaccurate due to non-functioning of such a system. DCSA in general relied on information that it collected from human resource units, which are neither complete nor are they provided on time. There was a lack of verification of accuracy of information. The improvement of DCSA/MPA system for implementation of civil service policies by public administration will substantially depend from the success in the implementation of the human resource management system.

Implementation of information system in the civil service is being accompanied with major challenges due to lack of capacities of human resource staff in institutions and due to the complexity of the system. Based on the dynamics, the overall functionalisation of system in entire administration will take time. In addition to the need for building capacities of DCSA and units that are responsible for the system in institutions, its implementation requires a consistent approach and continuous political support in all segments of administration, particularly in the Ministry of Public Administration.

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3. Recruitment and promotion in the civil service - the recruitment process is open to existing civil servants and external applicants. During the next period, there will be an enhancement of recruitment also by determining the testing and admission criteria. Whereas, recruitment for managerial positions starts with the opening of internal vacancy under the career system. In the absence of internal candidates external vacancy is applied. Selection is made by the selection committee on basis of merit, with a right of appeal at the end of the process.

The table below shows that recruitments from inside institutions have been a more common procedure of institutions giving more impulse to career development of existing employees in the civil service of Kosovo. Compared to 2011 and 2012, in 2013 and 2014, there was a decrease of external recruitment in civil service and number of transfers and recruitment within the institutions marked substantial increase in 2014 (see table below).

<table>
<thead>
<tr>
<th>Year</th>
<th>Recruitment from outside civil service</th>
<th>Recruitment from within the civil service</th>
<th>Transfers</th>
<th>Total positions filled in</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>From outside the institution</td>
<td>Within the institution</td>
<td></td>
</tr>
<tr>
<td>2011</td>
<td>842</td>
<td>217</td>
<td>179</td>
<td>336</td>
</tr>
<tr>
<td>2012</td>
<td>759</td>
<td>127</td>
<td>108</td>
<td>57</td>
</tr>
<tr>
<td>2013</td>
<td>498</td>
<td>160</td>
<td>105</td>
<td>33</td>
</tr>
<tr>
<td>2014</td>
<td>555</td>
<td>181</td>
<td>647</td>
<td>472</td>
</tr>
</tbody>
</table>


According to Fig. 3 below the number of complaints filed with the Independent Oversight Board of Kosovo related to recruitment process in 2014 was 215 or 31.58%, in 2013 it was 105 or 23.23% of the total number of complaints, in 2012 it was 80 complaints or 21.33% of the total number of complaints and number of complaints in 2011 was 87 or 21.37%.

As indicated, there was an increasing trend in the number of complaints related to recruitment in the period from 2011 to 2014. Despite this, the trend in the number of recruitment is not linear as in 2011 and 2014 number was higher than in 2012 and 2013. There was an increase of number from 2012 to 2014 also for exits from the civil service (Fig. 3 and 4).

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of exits from civil service</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Resignation</td>
<td>Disciplinary procedure</td>
</tr>
<tr>
<td>2011</td>
<td>251</td>
<td>61</td>
</tr>
<tr>
<td>2012</td>
<td>197</td>
<td>72</td>
</tr>
<tr>
<td>2013</td>
<td>193</td>
<td>61</td>
</tr>
<tr>
<td>2014</td>
<td>156</td>
<td>134</td>
</tr>
</tbody>
</table>

Fig 4. Source: MPA/DCSA Annual Reports

The increase of number of complaints can also be interpreted as increase of dissatisfaction with the work of internal appeals committee and proper implementation of recruitment procedures by these committees. In the analysis for countries of the Western Balkans OECD / SIGMA states that Kosovo reported lack of consistency in interview practices across ministries and agencies. On the other hand, capacities of current system to evaluate the competence of applicants during the recruitment process are very low. By analyzing the vacancies for new positions in the civil service, institutions often do not specify duties and responsibilities of officers that are recruited and qualification criteria required for the respective position, e.g. qualification criteria often require "a university degree (four year studies), 5 years of experience in the field of

\*\*\*SIDGA Paper 38, Professionalization of the Civil Service in Western Balkans pg. 33
education, or a university degree in the relevant faculties, 3 years experience in the relevant field" but without specifying the respective qualification and professional field. This encourages the application of a large number of applicants and consequently broad discretion recruitment committee for selection of candidates and reduces the possibility of selecting the most qualified staff for a particular position. In the future, the possibility of engaging youth (new graduates) in starting professional experience with public administration with pay and for a minimum time frame of 6 months will be checked.

4. Development of the civil service lacks a strategic approach for implementation of reforms envisaged by the civil service legislation. Administrative instructions and other bylaws for implementation of the Law on Civil Service and Law on Salaries of Civil Servants were adopted one after another without any analysis regarding the capabilities and capacities of the administration to implement them. And the process of their implementation was not followed with a clear and comprehensive roadmap and budgetary support.

Challenge is the lack of capacity of the DCSA to take a leadership role in planning and play a more proactive role in providing guidance and preparing institutions for a standardized and coherent implementation of applicable policies and regulations in all of institutions. "Only 10 persons are available to deal with policies in the HRM area, which is a very low number, both when considering their responsibilities and the workload connected with civil service reform and when compared to the number of employees in other areas of the MPA".10 In order to perform this role fully, DCSA needs to expand and develop human capacity with a focus on strategic planning, policy making and monitoring of policy implementation and proactive leadership of processes. Functionalization of Information System for Civil Service Management alone is not enough to address these challenges. Possession of information as such, if there are no capacities to process and use them in policy making, does not improve the civil service system.

In terms of civil service training, in 2011, Ministry of Public Administration adopted the Training Strategy for civil servants 2011-2013, but its implementation was never completed due to the lack of budgetary means. MPA is now in the process of finalizing a new training strategy. Development of a training strategy for civil servants was preceded by a Concept Paper for Training Strategy for Civil Servants which aimed to identify training needs in the civil service.

On the other hand KIPA tried to advance further the training process and to increase the quality, as indicated in figures on Table no. 5, by increasing number of trainees, training courses and days by the end of 2013. However the chance to improve the quality of trainings is very small. A decrease in the number of trainings was recorded in 2014 due to the ending of donor projects that supported KIPA in organisation of trainings.

<table>
<thead>
<tr>
<th>Year</th>
<th>Courses</th>
<th>Days</th>
<th>Participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>10 OECD/SIGMA Assessment Report for 2013, pg. 27.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Year</td>
<td>Trainings</td>
<td>Courses</td>
<td>Total</td>
</tr>
<tr>
<td>------</td>
<td>-----------</td>
<td>---------</td>
<td>-------</td>
</tr>
<tr>
<td>2011</td>
<td>74</td>
<td>233</td>
<td>2249</td>
</tr>
<tr>
<td>2012</td>
<td>107</td>
<td>298</td>
<td>2398</td>
</tr>
<tr>
<td>2013</td>
<td>93</td>
<td>372</td>
<td>3688</td>
</tr>
<tr>
<td>2014</td>
<td>88</td>
<td>272</td>
<td>2031</td>
</tr>
<tr>
<td>Total</td>
<td>362</td>
<td>1175</td>
<td>10366</td>
</tr>
</tbody>
</table>

Fig 5. Source: Trainings conducted in 2011-2013, KIPA report for DMPAR, 2013 and 2014

The main challenges for KIPA remain the lack of budget\(^{11}\), lack of sufficient number of staff (number of employees in the Training Department is eight (8)\(^{12}\), delay in implementing the legislation in the entire public administration, such as job classification, performance appraisal system, proper assessment of training needs in local and central level and lack of sufficient and adequate training rooms and other training spaces.

It is also worth noting that although progress has been made in advancing the training, KIPA also faces the challenge of initiating and monitoring the evaluation of impact of training in public administration as a mechanism to improve and increase the quality of KCS. However, such a mechanism for implementation of this instrument should be created by the MPA.

According to the assessment of the team for designing the training strategy for civil service, since KIPA is considered as key provider of training for civil servants, 51% of civil servants have said to have participated in the training, while 49% responded negatively (Fig.6). The correlation matrix further in this document also examines whether there are significant differences between civil servants who have attended trainings by KIPA and those who have not attended such training.

On the other hand, although many institutions make individual training needs assessments for their staff, they are not always communicated to KIPA and DCSA. The requirement to assess training needs of each institution and develop training plans is one of legal requirements that should be fulfilled for the purpose of professional development in the public administration.

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\(^{11}\) Financial resources allocated to the KIPA budget dedicated for trainings in 2012, 2013, 2014 was € 53,000 each year.

\(^{12}\) Regulation Nr. 41/2013 on Internal Organisation and Systematization of Jobs in the Ministry of Public Administration
Therefore, during the next medium-term period the Government of Republic of Kosovo, namely the Ministry of Public Administration will be focused on priority policies in the civil service, like:

1. Implementation of the Law on Salaries of Civil Servants through functionalization of new salary system for civil servants and finalization of draft law for salaries of public servants. The new job classification will be based on the catalogue of jobs approved by the Government in January 2015, which will reduce number of positions from about 3000 that are presently to about 800 positions, where the same positions are expected to be treated the same in all institutions, enabling the application of the principle of equal pay for equal work.

2. MPA will step up efforts to implement the electronic information system for human resources. The system which is extended to all institutions will enable MPA/ DCSA to promote the policy development system and strengthen monitoring of implementation of civil service legislation in all institutions.

3. Implementation of the new performance system will help for better management of civil servants through motivation, and it can be successful only if based on clear individual and institutional objectives, and its link with general planning system of the Government. This system will help in movement and promotion based on objective and transparent criteria and on merit. Criteria specified through vacancies and testing during recruitment of civil servants shall be determined based on the catalogue of jobs. Career development possibility within public administration will create preconditions for admission to civil service of new and professional staff/cadre.

4. In addition to the general training needs, adoption of the training strategy shall create the opportunity for the Public Administration Modernization Strategy to be a roadmap to focus training within civil service in priority areas under this strategy.

### 7.2. Administrative Procedures and Delivery of Public Administrative Services

Public administration is responsible to provide efficient and effective administrative services\(^\text{13}\). Meeting the needs of citizens and business according to legislation is one of the principles of good administration. The administration has the responsibility to create conditions for equal access to services, eliminate procedural red tape, use new methods through information technology, efficiency and effectiveness both in terms of monetary costs and in terms of their time efficiency.

\(^{13}\) Strategy will address only public administrative services or services provided by the administration based on requests of stakeholders and those entitled to such requests. E.g., such services may be based on requests for business registration, civil documents, vehicle registration, etc, compared to services provided by the state, like: medical services, education services, municipal services, etc.
The main challenges in the provision of public administrative services are as follows:

1. So far there have been no in-depth analyses of services provided by the Administration which would create the basis for a strategic approach and development of clear policies that will create the necessary conditions for the modernization of public services.

2. The Law on General Administrative Procedure is not implemented sufficiently by the public administration.

3. There is a lack of clear definition of duties and responsibilities for institutional mechanisms responsible for leading, planning, monitoring, evaluation and implementation of policies and legislation to modernize public services and implement the law on general administrative procedures.

4. Electronic systems are not integrated within the interoperability framework, while electronic platforms for electronic service delivery are not developed sufficiently. Furthermore, apart from delivery of public services to businesses, the so-called "one stop shops" have not been developed yet and the use of services through online system is not yet applied enough.

5. Although KIPA has organized trainings for developing capacities for administrative procedures, development of capacities at all levels of the administration for this and for delivering public services remain a continuous challenge.

6. There is a need to continuously inform citizens about their rights and ways how to realize such rights, about public services that are provided, how to access them and about other issues that may be of interest to them. Public administration has not yet established mechanisms and instruments for measuring the public opinion on the quality of services that are provided to them by the administration.

1. **Lack of a comprehensive analysis, strategic framework and clear policies for modernization of public administrative services** - delivering public services requires political commitment, vision, strategy, clear priorities and activities. This commitment must be translated into practical actions, with public services designed around the needs of users. Until now there has been no inventory of administrative services delivered by public institutions or in-depth analysis which will serve as a sufficient basis for designing comprehensive policies to improve public services. Except in some cases, no comprehensive strategic approach was followed in delivering public services in public administration. The Plan for Implementation of Economic Vision 2011-2014 was focused on one segment of this field aiming to simplify or eliminate 50% of permits and licenses in the area of doing business by 2014 in order to improve conditions for businesses according to World Bank Doing Business indicators. The Strategy for Better Regulation 2014-2018, adopted by the Government in 2014, aims to ensure continuity in implementation of these reforms. Previous strategies for public administration reform have not paid enough attention to public administrative services and procedures.

Besides internal need, integration criteria give special importance to particular aspects of administrative service delivery for citizens. One of the pillars of the Enlargement Strategy of the European Commission for 2015 is *the provision of public services* -
focusing on the delivery of services from public administration with special attention to efficiencies and ensuring the protection of individuals in administrative procedures.\footnote{According to Article 41 of Charter of Fundamental Rights of the European Union “Every person has the right to have his or her affairs handled impartially, fairly and within a reasonable time by the institutions, bodies, offices and agencies of the Union”}

While one of the challenges of the European Commission report for 2014 was the provision of services. This field of public administration lies in the centre of Principles of Public Administration defined by the OECD/ SIGMA in 2014, which highlight the need to develop clear policies and monitoring mechanisms for this purpose.

2. Law of Administrative Procedure is not implemented sufficiently by the public administration - Currently in Kosovo there is no general law that sets standards and criteria for public services except for laws on specific services. Law on General Administrative Procedure constitutes the main general framework for administrative procedures. This law entered into force in 2006 and now it is under complete review because of failure to implement it and shortcomings that were identified, particularly due to its incoherence with European principles of good administration. Adoption of General Law of Administrative Procedure presents the basis and is precondition for continued reforms and modernization of administrative service delivery.

The Law no. 04/L-202 on Permit and License System is a very important instrument for establishing an order in issuing permits and licenses by public administration institutions. In fact, number of licenses and permits constitute about 66% of all types of procedures issued in Kosovo\footnote{According to Article 41 of Charter of Fundamental Rights of the European Union “Every person has the right to have his or her affairs handled impartially, fairly and within a reasonable time by the institutions, bodies, offices and agencies of the Union”}. With the entry into force of this law the Government is required to identify all permits and licenses issued by central level institutions and their inclusion in a national centralized register which would be published electronically for public.

Also, the law on administrative procedure should be connected with the Law on Local Self-Government, which stipulates that the ministry responsible for local government is the supervisory body in relation to the acts of municipalities, when such power is not expressly transferred by law to another central institution.

3. Definition of tasks and responsibilities for institutional mechanisms responsible for leading, planning, monitoring, evaluation and implementation of policies and legislation to modernize public services and implement the Law on General Administrative Procedure – The Ministry of Public Administration is the main responsible institution for policy development in the field of public administrative services, oversight and coordination of their implementation in the Government. MPA is responsible to prepare the vision for modernization of public services and reform documents including initiatives for necessary legal changes.
The need to establish these mechanisms for coordination and supervision of activities of institutions when conducting procedures and delivering public services comes from the large number of procedures that are adopted by all public administration institutions. A total of 534 administrative procedures are identified which are currently undertaken by 23 central and subordinate institutions in Kosovo. They have different names, like: permits, licenses, authorizations, certifications, certificate, accreditations, recognition consents, approvals, admissions and registrations.\textsuperscript{16} When collecting information for the inventory and calculation of cost of administrative procedures it was noticed that some institutions have a high number of applications for licenses and permits they issue. The total number of applications during a calendar year in Kosovo reaches 61,841 procedures. According to the calculation of cost through this model total direct cost for administrative procedures that were issued in a calendar year by about 75% of central institutions in Kosovo results to be about 130 million Euros for the business and the waiting time to get these procedures has been 2180,400 days or 593 years.\textsuperscript{17}

Besides the large number of procedures, the lack of an active mechanism resulted in the lack of coordination and development of a horizontal approach between institutions. This makes the quality of provided services to be different depending on institutions. Such approach was a result of the fact that every ministry and administrative body has established its own structures for provision of services for the area of responsibility that it covers. For example, Emergency Management Agency has established five administrative bodies, Ministry of Education, Science and Technology has established seven administrative bodies, Ministry of Health has created eight administrative bodies, Tax Administration has established 12 regional offices, Ministry of Labour and Social Welfare has a dense network of offices (31 employment offices, seven offices for vocational training and seven offices for pensions). On the other hand, neither MPA nor any other institution has set policies for rationalization of structures and clarification of service provision to citizens in order to reduce costs and expand synergies between different administrative bodies throughout the territory.\textsuperscript{18}

Although trainings were organized for developing capacities for administrative procedures, capacity building in all levels of administration for this and for delivering public services remains a continuous challenge. Capacity building in this area will take an important space in the training strategy for civil service, which is expected to be adopted in the Government.

4. **Electronic systems are not integrated according to interoperability framework, electronic platforms for delivering electronic services and online services are not**

\textsuperscript{16} International Financial Corporation (IFC) RAPORT, the inventory of Administrative Procedures at the central level, September 2014, pg. 7-8.
\textsuperscript{17} IFC Report, pg 12.
\textsuperscript{18} SIGMA Assessment Report for Kosovo 2014, pg 20
sufficiently developed.. In addition to the system and capacities for policy monitoring and implementation, it is required to have electronic platforms and application of existing ones in order to create the possibility of concentration of services through the so-called One Stop Shop offices and online application for public administration services for each institution, be that in central or local government. This service will increase the efficiency of state administration and will facilitate access to services for citizens and businesses.

So far, for the implementation of information technology in delivering public services many activities have been undertaken: Law on Government Bodies of Information Society, Interoperability Framework of the Republic of Kosovo, Electronic Governance Strategy for 2009-2015 and many other bylaws and standards governing the policies in this area. Some other bylaws are in drafting process and which derive from the Law on Bodies of Information Society, such as: the bylaw regulating communication relations between the Agency for Information Societies and relevant IT offices of Kosovo Institutions, Regulation for State Data Centre, State Grid Regulation, Regulation for Hardware and Software, Regulations on institution website, Regulation for the State Portal, etc. It is also requested to complete the legal framework with Law on electronic communication, Law on public information, Law on electronic signature.

Within the technical infrastructure for Information and Communication Technology, MPA, respectively Agency for Information Society has built an advanced infrastructure for electronic service delivery through the State Network which covers all offices of state administration (central and local) and State Data Centre, which reduces the cost for ensuring IT hardware resources. This infrastructure serves to all institutions of central and local level. The current architecture of this infrastructure is a basis for delivering electronic services to citizens and for modernization of public administration.

Another important element is development and implementation of systems’ interoperability platform which will enable direct improvement of services, increasing efficiency of state administration in all institutions and rationalization of administrative processes, which has a direct impact on improvement of electronic services for citizens. MPA during 2015 shall develop Strategy for Electronic Government 2016-2020 and its action plan.

Most important for e-Government services is to create “One Stop Shops” and online application for public administration services for each institution of both central and local government. This service will increase efficiency of state administration and will facilitate access to services for citizens and businesses. The process of establishing One Stop Shop Reception Offices on issues related to providing certain services (for business needs) is ongoing. MTI, that is, Business Registration Agency of Kosovo has created 29 business registration centres throughout Kosovo. These centres offer 33 services, where 24 are services for changes related to business registration, 6 services for business registration and 2 business liquidation services. Services in cases of business registration
include issuance of fiscal number and value added tax certificate. "One Stop Shops" operate in an integrated registration system, which includes a single application, which facilitates the flow of information between KBRA, Customs and Tax Administration. The expansion of number of services provided by these centres and establishment of centres for providing other administrative services by the MPA, not only for businesses, will directly increase the improvement of services to citizens.

5. There is need to continuously inform citizens about their rights and how to realize those rights, delivered public administrative services, ways how to access them and other issues that may be of interest for them. Public administration has not established mechanisms and instruments for measuring public opinion about the quality of services that are provided to them by the administration. Information and activities to raise awareness of citizens and beneficiaries on services provided by the administration are fragmented and based on the initiative of institutions that provide specific services. The government has allocated limited resources for building capacities and raising awareness of citizens for their rights and obligations deriving from legislation on administrative procedures and scope of services provision. There is an integrated electronic portal which aims to provide basic information and links to websites of public institutions. Public institutions are obliged to maintain their websites and provide standardized information for public services they provide based on the relevant legislation. But implementing requirements of administrative instruction on websites of institutions is not monitored. There is no general reporting and monitoring of accuracy of data that are presented in these electronic portals. Disabled persons such as blind, deaf and persons with intellectual disability cannot access websites.

There are also some practices where municipal authorities have opened several information offices that provide information on administrative services. For some services (for personal documents, business registration), ministries and agencies produce booklets with general information but no standard has been set for the information provided. Administrative capacities to monitor the implementation of service delivery are not satisfactory.

On the other hand, except for external reports which are either developed by international organizations (UNDP, World Bank) or non-governmental organizations, Government has not developed any tool to measure their opinion about the quality of services provided and how much they are accessible to the beneficiaries. So far there has been no systematic or strategic approach to information and communication or training of administrative staff. In this area the support of donors is fragmented.

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20 www.rks-gov.net.
Therefore, during the next medium-term period in order to improve administrative procedures and modernize public services and to create an administration oriented towards the needs of citizens. The Government of Republic of Kosovo, namely the Ministry of Public Administration, will focus on following policy priorities:

1. The reform will focus on simplification and modernization of procedures through by conducting meaningful analyses that enable a strategic approach connecting them with administrative services which have greater impact on economic development of the country. Principles and rules set by the Law on General Administrative Procedure shall be instruments and key basis for deciding on future steps. Creating a registry of administrative procedures and administrative public services is the first step to assess current situation with regard to their existence. This will enable an evaluation of procedures that have the greatest impact on the quality and service efficiency and prioritization of segments in which reform should focus.

The prerequisite for implementation of reforms related to simplification and automation of administrative procedures is adoption of the draft law on General Administrative Procedure and harmonization of existing secondary legislation with this law and its supplementation. In addition the Law on Permits and Licenses should be fully implemented.

2. Establishing mechanisms to lead, plan, monitor and evaluate the quality of public services and implementation of the law on general administrative procedures. This should be done by clarifying the role of MPA as the main leading institution and creating clear mechanisms for monitoring implementation of the Law on General Administrative Procedure, avoiding unnecessary bureaucracy and establishing standards for providing administration services. Capacity building in this area will take significant space also in the training strategy for civil service which is being drafted and pending adoption.

3. Electronic systems will be integrated according to the interoperability framework and electronic platforms will be created for delivery of electronic services and online services. Also, except for delivering public services to businesses, the development of so called "One stop shop" shall be piloted.

4. Continuous information of citizens about their rights and ways of their realization, provided public services, ways of access to them and other issues that may be of interest to them. Institutions should publish procedures, application forms and brochures that set criteria and requirements for registration or licensing or obtaining other services. Public administration has not established mechanisms and instruments for measuring public opinion concerning the quality of services that are provided to them by the administration at central level. The advancement of existing system for measuring performance of public administrative services in municipalities will continue. In addition to this, administrative institutions that make decisions with general impact hold consultations with civil society and citizens.
7.3. Organisation of State Administration and Accountability

Accountability has a broad scope, which includes organisation of the administration, openness and transparency, internal and external accountability and oversight institutions. Accountability is one of the pillars (out of 6) of the EU Enlargement Strategy 2014/2015 on public administration reform – which includes transparency of administration, includes access to information and the possibilities of administrative and legal compensation. In its Progress Report of 2014, the European Commission emphasized that Kosovo has made limited progress in improving accountability. The Government also states that “despite the completion of legal and institutional framework and significant progress in ethics, transparency, accountability and fighting corruption, the level of implementation remains one of the main challenges for institutions, in part due to the lack of capacities in justice and prosecution system”.

Therefore, challenges that this Strategy will be focused to address are the following:

1. Legal framework regulating organisational structures of public administration is unclear and insufficient. In addition, it is not implemented by all institutions. Internal organisation in many institutions, both at central and local level, is not rational, number of executive agencies established without clear criteria is unjustifiable and they have no accountability system in relation to the ministry they report to.

2. Application and strengthening of the system for ensuring application of principles of ethics and integrity in civil service, according to recently-approved Code of Ethics for Civil Servants, which was adopted after a long process.

3. Mechanisms for access to public documents and information are insufficient. Proactive publications by institutions of information of general interest are not sufficient. In addition, there is no central institution that would demand accountability, impose fines on institutions in case they do not respond to requests for official information.

4. There are no sufficient mechanisms for compensation of damage caused when public authorities take decisions, or by their actions or inactions.

1. Organisation of State Administration – Criteria and principles of organisation of public administration are defined in the Law on Public Administration, which also defines the types of administrative bodies. Specific rules on organisation of institutions within the Government are defined in the Regulation on Administrative Areas of

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21 The Principles of Public Administration, OECD/SIGMA, pg.64.
23 The current Strategy will not be focused on accountability related to public finance management, financial control system, public procurement, audit, etc., because this field will be covered by the third pillar of public administration reform, namely, the field that falls under the responsibility of Ministry of Finance.
Responsibility of the Office of Prime Minister and Ministries, and Regulations on Internal Organisations and Systematisation of Jobs in Ministries. However, there are still some legal ambiguities in organisation of administration, and it is considered that “there is, generally, a culture of self-managed institutions with weak horizontal policies. In addition, the international presence is still very strong in Kosovo, and has contributed to the non-systemic creation of different autonomous agencies and independent bodies. As a result, the state administration has grown on the basis of ad hoc criteria, resulting in a fragmented structure mainly composed of micro-institutions”.24

Regardless of that, the Government has made progress in creating a legal and procedural basis for establishment and internal organisation of ministries. As defined in the legislation, all ministries already have adopted regulations on internal organisation (except the MKSF, which due to its specifics was suspended for some time). Regulations have also been adopted for some executive agencies. The Government adopts such regulations, while Ministry of Public Administration assesses their compliance with the Law on State Administration.

Article 2 of the Law on State Administration specifies 5 categories of state administration bodies in Kosovo as shown in the table below:

<table>
<thead>
<tr>
<th>Category</th>
<th>No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Highest State Administration Authorities</td>
<td>22</td>
</tr>
<tr>
<td>2. Highest State Administration Bodies</td>
<td>19</td>
</tr>
<tr>
<td>3. Central State Administration Bodies</td>
<td>50</td>
</tr>
<tr>
<td>4. Local State Administration Bodies</td>
<td>37 municipalities</td>
</tr>
<tr>
<td>5. Independent State Administration Bodies</td>
<td>7</td>
</tr>
</tbody>
</table>

Fig. 7. Source: Department of PAR Management, MPA

Upon completion of regulations, each ministry/agency should continue adjusting job positions with responsibilities deriving from new regulations on internal organisation and systematisation of jobs in institutions and with the model defined by the job catalogue.

But, this would not be enough if implementation of regulations on internal organisation is not monitored on regular basis. The current Law on State Administration has also deficiencies and ambiguities, both, in the aspect of legal status of various administrative bodies and functional and organisational criteria, which are the basis for establishment of administrative bodies. The Law does not provide for an obligation to have a prior analysis of the need for establishment of administration bodies and their cost.

The large number of administrative bodies and lack of standards and criteria for their organisation undermines significantly the accountability system. The Law on State Administration does not provide clear criteria for establishment of new institutions. Many central bodies of the State administration have been established in such a way that they will function as executive agencies.

But, when considering the nature of their work, it becomes obvious that they do not play the role of executive institutions, and there is no difference between them and policy-making departments in ministries. On the other hand, there is a very poor system for supervision of work of central administration bodies by ministries they report to. This is due to the weak supervising capacities of institutions and large number of agencies that are in ministries. For example, there are at least eight independent institutions that operate under the Office of Prime Minister, or 13 administrative bodies that operate under the Ministry of Culture, Youth and Sports.

On the other hand, knowledge of this law and criteria for establishing administrative structures in the civil service are not sufficient. According to a survey conducted by the team in charge for developing Training Strategy for Civil Service, an extremely high percentage of 90% of civil servants did not have basic knowledge about the Law on State Administration and state administration bodies. Only about 10% of civil servants who participated in the survey had full basic knowledge on the Law on State Administration.

Until now, no attention was paid to the issue of regulating other bodies which, though are not organs of state administration, nevertheless, play a crucial role in the AP, i.e. independent institutions, entities or public institutions, etc.

2. Ethics in public administration - Strategic and legal framework in the field of ethics and transparency has also considerably improved in Kosovo, although it goes through frequent amendments. The new anti-corruption strategy was adopted in 2013, whereas the Law on Prevention of Conflict of Interest and the Law on Declaration of Assets and Gifts is in the process to be amended.

In addition to legal framework, codes of ethics either for civil service or for specific segments of public administration, such as Code of Ethics for Customs staff, Code of Ethics for TAK staff, etc. serve as mechanisms to ensure ethics and accountability in public administration. In fact, ethics in civil service is based on the recently adopted Code of Ethics for Civil Servants.

According to sub legal acts for implementation of the law on civil servants, appeal mechanisms and disciplinary measures, same as legislation and procedures, are already in place and they do not present any challenge. But, their functioning and independence while taking decisions and reviewing cases and appeals is disputable. In general, the fact that lowest ranking officials in the hierarchy of institutions are appointed to these
committees affects the independence of reviewing and deciding on cases. An option to be considered is centralisation of the system for reviewing disciplinary cases in civil service, or including in these committees members that are not officials of the institution.

On the other hand, with the exception of Independent Oversight Board of Civil Service, which in its annual reports publishes proceedings initiated based on appeals; there is no system of data collection on proceedings and disciplinary measures taken by institutions. Such a responsibility falls on the Department of Civil Service Administration. In addition to collecting data on violations of Code of Ethics by civil servants, DCSA should also publish such data in its annual report; and in cooperation with relevant institutions of justice system, it should include information on judicial proceedings related to corruption cases against civil servants.

In the question made to civil servants during preparation for development of training strategy, 87% of civil servants gave wrong answers when asked about elements of planning for anti-corruption and integrity in the Kosovo Civil Service (Fig.9). Therefore, increasing awareness and organisation of training are also necessary for civil servants on topics related to accountability, ethics and anti-corruption.

3. Ensuring mechanisms for access to public documents and information - The right of access to public documents is one of the instruments to ensure transparency and increase accountability. This right is guaranteed by the Constitution of the Republic of Kosovo. The main law regulating this right is the Law on Access to Public Documents, whereas the Law on Office Work Administration facilitates realization of this right.

The level of access to public documents has progressed compared to the period before adoption of the PAR strategy 2010-2013. From 1,990 requests for access to official documents that were made in 2014, 1,866 of them, or 94% were accepted (allowed) and 2% were granted limited access. In 2013, 91.69% of requests were granted access. In 2011, there were approximately 4 times (around 400%) less requests, meaning 494 requests, and 483 of them, or 97.77% of them were granted access (fig.10).

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**Fig. 10. Kërkesa për qasje në dokumente publike**

<table>
<thead>
<tr>
<th>Year</th>
<th>Kërkesa e miratuar</th>
<th>Kërkesa e refuzuar</th>
<th>Kërkesa e kufizuar</th>
<th>Përgjigje</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>483</td>
<td>2</td>
<td>2</td>
<td>7</td>
</tr>
<tr>
<td>2012</td>
<td>540</td>
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<tr>
<td>2013</td>
<td>1833</td>
<td>35</td>
<td>50</td>
<td>79</td>
</tr>
<tr>
<td>2014</td>
<td>1866</td>
<td>36</td>
<td>38</td>
<td>50</td>
</tr>
</tbody>
</table>
Despite this progress, although there is an institutional structure (Office of Prime Minister and Ombudsperson) that are responsibility to enforce this right, one of the main problems is the lack of centralized institution that would be responsible for imposing sanctions in cases of a failure to make information public and failure to allow access to public documents without providing legal justifications. Referring cases to court might not be an effective mechanism due to procedures, inefficiency of justice system in solving cases and financial costs that might be incurred for the party. Lack of legal provisions defining the requirement for public institutions to be proactive in making the information public, while not all public documents are required to be published in the register of documents or to publish the register on the internet. In addition to this, the Office of Prime Minister should be more active in establishing mechanisms for facilitating access to public documents by interested parties. It should apply a standardised access through a joint government portal, and should require the publication of institutional responses to such requests.

5. Clarification of the situation and ensuring mechanisms for compensation in cases when public authorities cause damages when taking decisions or with their actions or inactions — Concerning the compensation of damages caused by decisions of public administration, judicial mechanisms for reviewing lawsuits have been improved after reform in the structure of Kosovo courts, as defined in the Law of Courts, adopted in 2010. Prior to entry into force of this Law in 2013 and reform of justice system, the Supreme Court was the competent court to adjudicate on appeals against decisions of administration. That system turned out to have many problems in addressing appeals. As of entry into force of the new Law in 2013, administrative disputes are adjudicated by the Department for Administrative Matters of the Basic Court of Prishtina. The Department also has a Division for Fiscal Matters. Both, the Court of Appeals and the Supreme Court have their departments on administrative matters, which decide in the capacity of higher instances. However, due to large number of backlog cases and limited number of judges dealing with administrative cases (4 judges), the number of unresolved administrative cases is increasing (at the end of 2014 there were 4,039 compared to 2,601 cases that were at the end of 2013).

On the other hand, there is no legal act or sub legal act for reviewing such requests, which would define instruments for enforcement of administrative decisions, enforcement costs, or fines in case of failure to enforce them. The Law on General Administrative Procedure stipulates only general administrative principles and procedures for this purpose, whereas the Law on Administrative Conflicts stipulates procedures for lawsuits in the judicial system. The process of prioritizing public administration reforms for the next medium term period, adopted by the National Council of Public Administration Reform, gives priority to the need for public authorities

27 Annual Reports of the Kosovo Judicial Council for 2012 -2013.
to take over debts in case of violations and guarantee adequate remedy and/or compensation.

The above-mentioned challenges are expected to be addressed by priority policies for organisation of administration and accountability, as follows:

1. Finalisation of the Draft Law on Organisation of State Administration and supplementation of sub legal acts. The new law and sub legal acts will define clear criteria for establishing new institutions. Particularly, criteria will be created for establishment of executive and independent agencies. The MPA will strengthen mechanisms to monitor implementation of the new law on organisation of state administration.

2. Implementation and strengthening of the system to ensure implementation of principles of ethics and integrity in the civil service. Strengthening of mechanisms to monitor implementation of the new Code of Ethics in the Civil Service.

3. Strengthening of OPM to supervise enforcement of the law on access to public documents by setting rules that will oblige institutions to implement the law. Information of public interest should be posted regularly to the official website, and they will be supervised.

4. Clarification of situation and ensuring compensation mechanisms in cases when public authorities cause damage when taking decisions or with their actions or inactions.

8. STRATEGIC OBJECTIVES AND KEY MEASURES

In the present Strategy, the Government of Republic of Kosovo defines a medium term agenda for effective public administration reforms, which translates policy objectives into concrete goals and measures to achieve the aimed results.

The Strategy and the Implementation Plan include essential reforms and development activities and avoid inclusion of continuous and daily activities that do not have substantial impact on results of the reform.

The Strategy includes three objectives for areas that will be in the focus of reform for the next medium term period and which are under direct responsibility of the Ministry of Public Administration. The Strategy consists of general objectives, specific objectives and main reforms that are proposed to be made in public administration in the period 2015-2020.

CIVIL SERVICE IN PUBLIC ADMINISTRATION

| General strategic objective: |  |
An advanced and adequate system for management, monitoring and implementation of legislation on civil service and creating the possibility for a professional, effective and efficient civil service which will be developed based on principles of good administration and oriented towards implementation of legal requirements.

Specific objectives (SOs):

1. Implementation of a new salary system for civil servants based on classification of job positions, which shall be fair, transparent and based on the ‘equal pay for equal work’ principle.
2. Electronic system for human resources management (HRMIS) applied in all institutions of civil service and used by all institutions. In addition, strengthening of the system to monitor implementation of legislation on civil service.
3. Organisation and functioning of civil service that includes a professional and depoliticized civil service. Competitive recruitment and selection on the basis of merit and clear testing criteria, and engagement of disabled persons according to the legislation on this category. Continued and necessary training Performance assessment system based on institutional and individual objectives.
4. Ensuring a strategic approach in development of civil service and training of civil servants in all levels of public administration.

<table>
<thead>
<tr>
<th>Indicators</th>
<th>Basis (according to SIGMA assessment)</th>
<th>Target 2017</th>
<th>Target 2020</th>
<th>Link with specific objective</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. The extent to which salary system for civil servants is fair and transparent and applied in practice</td>
<td>2</td>
<td>4</td>
<td>5</td>
<td>SO 1</td>
</tr>
<tr>
<td>2. Extent of implementation of new performance evaluation system in practice in civil service</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>SO 1</td>
</tr>
<tr>
<td>3. Horizontal distribution of HRMIS application</td>
<td>Q1-2015 90%</td>
<td>95%</td>
<td>100%</td>
<td>SO 2</td>
</tr>
<tr>
<td>4. Extent of use of HRMIS modules</td>
<td>Q1-2015 10%</td>
<td>50%</td>
<td>100%</td>
<td>SO 2</td>
</tr>
<tr>
<td>5. Rate of exit of civil servants from Civil Service</td>
<td>1.13% (2013)</td>
<td>1.0%</td>
<td>0.5%</td>
<td>SO 3</td>
</tr>
<tr>
<td>6. Percentage of civil servants recruited through internal procedures at the level of KCS according to civil service rules</td>
<td>79% internal recruitments include transfers and promotions</td>
<td>85%</td>
<td>90%</td>
<td>SO 3</td>
</tr>
<tr>
<td>7. Percentage of civil servants recruited through external recruitment procedures at the level of</td>
<td>21%</td>
<td>15%</td>
<td>10%</td>
<td>SO 3</td>
</tr>
<tr>
<td>central administration</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>------------------------</td>
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<td></td>
</tr>
<tr>
<td>8. Percentage of civil servants by ethnic origin in the civil service at central administration level compared to the criteria defined in the law</td>
<td>6.5%</td>
<td>8%</td>
<td>10%</td>
<td>SO 3</td>
</tr>
<tr>
<td>9. Extent to which training system for civil servants is established and applied in practice</td>
<td>4</td>
<td>4.5</td>
<td>5</td>
<td>SO 4</td>
</tr>
<tr>
<td>10. Percentage of number of civil servants who have received a training from KIPA at least once a year out of the total number of civil servants</td>
<td>9.1%</td>
<td>15%</td>
<td>20%</td>
<td>SO 4</td>
</tr>
</tbody>
</table>

**Main reforms:**

1. Functionalization of a new job classification system and new salary system in accordance with laws on civil servants and salaries of civil servants by the end of 2015.
2. Complete functionalization of use of HRIMS.
3. Amendment and supplementation of Civil Service Law.
4. New recruitment system through testing and professional practice in public administration.
5. MPA develops and enhances methods and mechanisms for monitoring of implementation of regulations and management of human resources in public administration.
6. Adoption and implementation of the training strategy for civil service, including encouragement for programs of life-long learning.
7. Building capacities and reorganization of DPARM, DCSA and KIPA so that they are able to fulfil their obligations.
8. Planning, organization and management of the training system for the entire civil service by introducing a credit system and establishing mandatory continuous professional education system;

**ADMINISTRATIVE PROCEDURES AND DELIVERY OF PUBLIC ADMINISTRATIVE SERVICES**

**General strategic objective:**

*Qualitative and accessible public administrative services, based on reasonable administrative procedures and applying e-government methods oriented towards citizen and business needs*

**Specific objectives (SOs):**

1. A strategic framework and policy based on thorough analysis of administrative public services by implementing the Law on General Administrative Procedure.
2. Completed and implemented legal and sub legal framework for delivering public services, administrative procedures and their quality control.
3. Established institutional mechanisms and capacities for management, planning, monitoring, assessment and implementation of public services.
4. Developing and integrating electronic systems in progressive measure based on
the interoperability framework.
5. Provision of services for citizens at one-stop-shops.
6. Continuous information of citizens on the development and provision of public services and on the rights and ways how to realize them.
7. Setting mechanisms and instruments for measuring public opinion on quality and accessibility of public services are established

<table>
<thead>
<tr>
<th>Indicator</th>
</tr>
</thead>
<tbody>
<tr>
<td>the interoperability framework.</td>
</tr>
<tr>
<td>5. Provision of services for citizens at one-stop-shops.</td>
</tr>
<tr>
<td>6. Continuous information of citizens on the development and provision of public services and on the rights and ways how to realize them.</td>
</tr>
<tr>
<td>7. Setting mechanisms and instruments for measuring public opinion on quality and accessibility of public services are established</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Basis (according to SIGMA assessment)</th>
<th>Target 2017</th>
<th>Target 2020</th>
<th>Link with specific objective</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Extent to which policies oriented towards public interest for service delivery are established and applied in practice</td>
<td>1</td>
<td>2</td>
<td>3.5</td>
<td>SO 1</td>
</tr>
<tr>
<td>2. Level to which legislation for public administrative service delivery is completed and implemented</td>
<td>2</td>
<td>3</td>
<td>3.5</td>
<td>SO 2</td>
</tr>
<tr>
<td>3. Legal basis for services unit established and the structure is completed with staff</td>
<td>0</td>
<td>Structure established and completed with legislation</td>
<td>SO 3</td>
<td></td>
</tr>
<tr>
<td>4. Number of integrated electronic systems according to interoperability framework (there are over 100 electronic systems)</td>
<td>Interoperability platform is not developed yet. Now about 5% of main systems are connected through web services</td>
<td>31 systems or 31%</td>
<td>Over 80% of systems integrated through interoperability platform</td>
<td>SO 4</td>
</tr>
<tr>
<td>5. Number of centres for services to citizens that deliver services for more than three different public institutions</td>
<td>1</td>
<td>3</td>
<td>6 in each region</td>
<td>SO 5</td>
</tr>
<tr>
<td>6. Number of services delivered by one service centre to citizens</td>
<td>5</td>
<td>30</td>
<td>100</td>
<td>SO 5</td>
</tr>
<tr>
<td>7. Extent of publication of information about public services on websites of institutions</td>
<td>N/A</td>
<td>80%</td>
<td>100%</td>
<td>SO 6</td>
</tr>
</tbody>
</table>
compared to total number of services delivered for each institution (Published information about public services include address where service is delivered, responsible officer, list of services delivered, procedures and conditions, cost of service delivery, duration of service delivery, the right of appeal in case the service recipient is not satisfied with the quality of delivered service).

8. Number/percentage of institutions that apply surveys to measure satisfaction of service recipients on regular basis (at least every two years)

<table>
<thead>
<tr>
<th></th>
<th>0%</th>
<th>6 institutions</th>
<th>50%</th>
<th>SO 7</th>
</tr>
</thead>
</table>

Main reforms:

1. Development of the vision and in-depth analysis for services delivered to citizens.
2. Adoption of the new Law on General Administrative Procedure and its implementation through planned activities:
3. Identification of specific administrative procedures and their harmonisation with the new LGAP.
4. Identification of public services that are provided by central and local level institutions and establishment of a register of services.
5. Establishment of institutional mechanisms responsible for ensuring modernisation of public service delivery and management, monitoring, assessment and reporting on implementation of public service modernisation and implementation of the Law on General Administrative Procedure.
6. Capacity building for public administration staff in delivering of public services and administrative procedures
7. Information of institutions and citizens of their rights and the way how to realize public services.
8. Development of instruments for measuring public opinion on public services that are delivered on the quality and accessibility of public services.
9. Establishment of ‘one-stop shop’ model for delivering services to citizens and businesses and application of e-government methods.
10. Accessible administration for all citizens, including disabled persons

**ORGANISATION OF STATE ADMINISTRATION AND ACCOUNTABILITY**

**General strategic objective:**

*Transparent, accountable public administration, with a clear system of accountability characterised with a professional civil service, with internal administrative structures that function based on the legislation on public administration and in line with principles of good governance.*
### Specific objectives (SOs):

1. Completion of legal framework for organizing PA for all typologies of PA, based on policies and legislation and in accordance with LOAP
2. Strengthening the system for monitoring implementation of principles of ethics and integrity in public administration.
3. Improving mechanisms for access to public documents and information.
4. Public authorities create mechanisms to assume liabilities in case of violations and guarantee correction and/or adequate compensation.

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Basis (according to SIGMA assessment)</th>
<th>Target 2017</th>
<th>Target 2020</th>
<th>Link with specific objective</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Extent to which structure of ministries and institutions under them at central level are rational and coherent</td>
<td>1</td>
<td>2.5</td>
<td>4</td>
<td>SO 1</td>
</tr>
<tr>
<td>2. Average number of hierarchic levels in a typical ministry</td>
<td>4</td>
<td>4</td>
<td>4</td>
<td>SO 1</td>
</tr>
<tr>
<td>3. Number of civil servants against whom measures are undertaken for violating provisions of ethics and anti-corruption</td>
<td>N/A</td>
<td>Register created</td>
<td>Indicators monitored</td>
<td>SO 2</td>
</tr>
<tr>
<td>4. Corruption perceptions index by Transparency International – rating of our country on scale 0-100</td>
<td>33</td>
<td>Improving trend</td>
<td>Improving trend</td>
<td>SO 2</td>
</tr>
<tr>
<td>5. Percentage of request for access to public documents that are refused or not responded to by public institutions annually</td>
<td>4.6%</td>
<td>3.8%</td>
<td>3.0%</td>
<td>SO 3</td>
</tr>
<tr>
<td>6. Percentage of public institutions that maintain websites in accordance with legal requirements</td>
<td>29%</td>
<td>70%</td>
<td>90%</td>
<td>SO 3</td>
</tr>
</tbody>
</table>

### Main reforms:

1. Finalisation and adoption of the legal framework for Organization of Public Administration, reviewing and adaptation of administrative structures.
2. Setting clear criteria and cost estimation when establishing new bodies and reorganization of public administration.
3. Establishment of mechanisms to measure the performance of institutions and measure the individual performance of servants.
4. Enhancement of accountability system within civil service through legislation on supervision of Civil Service and best practices.
5. Establishment of sanctioning mechanisms in case of failure to publish information and failure to provide access to public documents without providing a legal reasoning.
6. Development of a legal framework on the responsibility of public administration including measures for implementation of administrative decision, criteria for
calculation of damage and sanctions in case of illegal action or inaction.

7. Drafting of a legal framework for the establishment of mechanisms for inclusion and distribution throughout institutions of members of communities according to the applicable legislation and monitoring.

9. **Next Steps on Strategy Implementation and Monitoring and Reporting Framework**

**Institutional structure**

Powerful and functional structure for reform management, monitoring and reporting is a precondition to achieve the targeted results through the Strategy on Modernisation of Public Administration 2015 - 2020. Composition of reform management structures, both from institutional and staff aspect, is very important for their efficient functioning.

To ensure this, the Government has established/and will continue to establish structures that have an appropriate positioning in the Government, appropriate institutional representation and necessary composition in terms of human resources.

**Council of Ministers for Public Administration Reform (CMPAR)** is the main structure at political/ministerial level responsible for strategic management of reform, monitoring its implementation and serves as a forum for discussing and analysing the progress, and proposes necessary changes for future reforms.

**Coordination Group for Modernization of Public Administration** will be an inter-institutional administrative structure lead by the General Secretary of MPA that will supervise and coordinate the process in accordance with objectives of this Strategy and the Implementation Plan. The Group will report on the progress every six months and every year to the PAR Council, whereas the Council of Public Administration Reform will report on the progress to the Government on yearly basis. The annual report on reform implementation shall be made public after its approval by the Government. The General Secretary of MPA, as the chair of the group on reform progress for its area of responsibility, will report to the Council of General Secretaries on quarterly basis.

**Department for Management of Public Administration Reform** will be responsible for monitoring and reporting on the implementation of Strategy, which, in addition to this, also serves as a key institution in advising and conducting professional and technical work related to management and reporting on the Reform process according to this Strategy.

DMPAR will establish a system of data collection for all identified indicators which will be used to provide timely and accurate data to the Coordination Group, the Council and the Government.
Monitoring framework


The reform implementation plan will be reviewed and updated every two years within the strategic framework, as defined in the Strategy.

Monitoring framework for implementation of the Strategy for Modernization of Public Administration 2015 – 2020 consists of measuring indicators who are placed at the level of specific objectives in the strategy for 2017 and 2020.

One specific objective may contain more than one indicator, most of which are based on SIGMA’s indicators in assessing reform progress according to SIGMA’s principles of Public Administration. But some of the indicators are derived from the administration and the baseline is taken from public administration data.

The baseline of current situation presented in the pillar titled ‘Baseline’ according to SIGMA’s assessment is taken as baseline of 2014, according to SIGMA’s assessment for Kosovo.

Most of indicators used in the Strategy for Modernisation of Public Administration are quantitative indicators according to categorization with SIGMA’s methodology. But some of the specific objectives also include qualitative indicators.

According to SIGMA’s methodology quantitative or qualitative indicators are measured with:

- assessment scores from 0 to 5, where 0 presents the lowest assessment/progress, whereas 5 presents the highest progress assessment of the country in the assessed field, and
- percentage, which presents the level of progress based on percentage of progress in the relevant assessed field.

Generally, SIGMA’s indicators are used as baseline of current situation taking into consideration that the administration lacks data. But in some cases the data of other institutions are taken as measuring baseline, particularly when there are no indicators

Implementation progress and achievements of reform will be communicated to public opinion on regular basis. SMPA will be followed up with a communication plan which
will define activities and instruments for informing and communicating reforms to public.

11. **Financial Impact and Sources for Financing the Strategy**

Financial impact value of the Strategy Action Plan was determined through the process of evaluation of potential cost required for implementation of activities by each institution that has main responsibility to implement planned activities.

In total, the funds that are assessed necessary for implementation of SMPA actions during the period 2015 – 2017 are foreseen to be about **€ 9 million**.

One of the reforms that is estimated to have the biggest financial impact during the strategy implementation will be the salary reform in the civil service. The impact of this reform is expected to be about € 5 million. Considering that the implementation of salary reform requires further decision making from the Government, in order to clarify potential impact of implementation of policies foreseen in the medium term action plan we have considered two scenarios, one which takes into consideration the salary reform and their increase beginning in 2015 based on Kosovo budget fiscal capacities, and the second scenario which does not take into consideration the salary reform.

**Scenario 1: Scenario based on salary reform**

<table>
<thead>
<tr>
<th>Table: Financing cost in € by pillars</th>
<th>Graph: Specific cost weight by SMPA area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Civil Service</td>
<td><img src="image" alt="Graph" /></td>
</tr>
<tr>
<td>Administrative Procedures and Service Delivery</td>
<td><img src="image" alt="Graph" /></td>
</tr>
<tr>
<td>Organisation and Accountability</td>
<td><img src="image" alt="Graph" /></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><img src="image" alt="Graph" /></td>
</tr>
<tr>
<td></td>
<td><strong>8,995,392</strong></td>
</tr>
</tbody>
</table>

As seen from the data in the table and in the respective graph, the biggest specific weight represents costs for implementing activities of Civil Service Pillar (61%). This comes as result of specific weight represented by the fund for supporting salary reform in the civil service, which represents about 56% of total funding. While the other two pillars represent 35% and 4%, respectively.

SMPA will be funded from several sources, where Kosovo budget and European Union are among key funders, whereas financial gap is about 7.7% or about 692 thousand Euros.
**Scenario II: Scenario that does not take into consideration salary reform**

This scenario is based on the assumption that the salary reform can be postponed for a certain period. According to this scenario, specific cost weight passes from first pillar to the second pillar “Administrative Procedures and Service Delivery”, financing of which is estimated to require about € 3 million, representing about 80% of estimated financial needs.

According to this scenario, specific weight of financing sources changes even though financing values, with the exception of Kosovo Budget, remain the same. This increases specific weight of financial gap for about 17.32%.
Relevant structures will plan their financial and budget needs through programs and respective budget lines as part of the planning process for Medium Term Expenditure Framework, and annual budget.

Government together with the donor community will see possibilities to finance activities for which there is a financial gap. While at this phase various donors have expressed their interest to finance some activities foreseen in the plan, like for example, UNDP plans to support activities relate to Pillar 3.

It should be emphasized that strategy implementation cost is based on detailed estimation of the needs for implementation of the plan up to the level of output. The real cost, however, may easily exceed estimated financing levels for this phase, since this will depend on modalities how donor assistance is implemented, which can be through direct funding or by sending experts to work with Kosovo institutions, or by increasing assistance at project level. In this case real value of strategy implementation will increase.