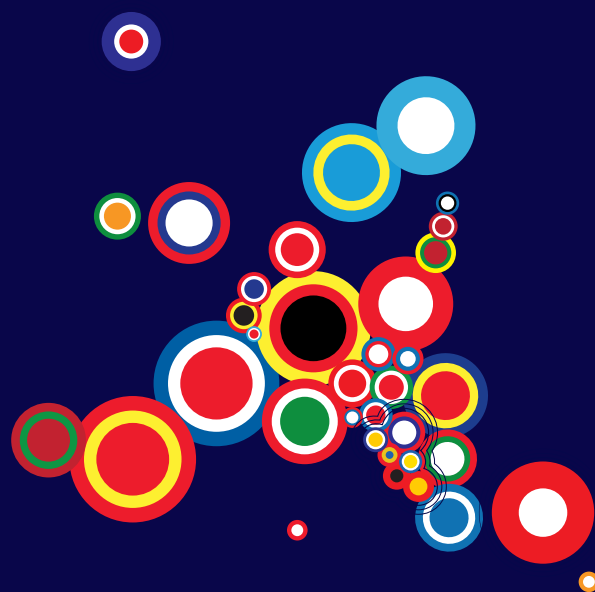




INSTRUMENT FOR PRE-ACCESSION ASSISTANCE (IPA II) 2014-2020

Kosovo*

EU Legal Approximation
Facility



Action Summary

The main action objective is to support Kosovo in creating an effective, efficient and transparent public administration at all levels that ensures sustained socio-economic development, strengthens sectorial approximation and constructively engages in regional cooperation.

In addition the facility aims to strengthen technical and administrative capacity of the Kosovo administration in relation to the European integration process and to support the effective and efficient management and absorption of EU pre-accession funds.

* This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence

| Action Identification | |
|---|--|
| Programme Title | <i>2014 Annual Action Programme for Kosovo</i> |
| Action Title | EU Legal Approximation Facility |
| Action Reference | <i>IPA 2014 /032353/Kosovo/EU Legal Approximation Facility</i> |
| Sector Information | |
| IPA II Sectors | <i>Democracy and Governance</i> |
| DAC Sector | <i>43010</i> |
| Budget | |
| Total cost (VAT excluded) ¹ | <i>EUR 8.0 million</i> |
| EU contribution | <i>EUR 8.0 million</i> |
| Management and Implementation | |
| Method of implementation | <i>Direct Management</i> |
| <i>Direct management:</i> EU Delegation in charge | <i>European Union Office in Kosovo</i> |
| Implementation responsibilities | <i>European Union Office in Kosovo</i> |
| Location | |
| Zone benefiting from the action | <i>Kosovo</i> |
| Specific implementation area(s) | <i>Kosovo</i> |
| Timeline | |
| Deadline for conclusion of the Financing Agreement | <i>31 December 2015</i> |
| Contracting deadline | <i>3 years following the date of conclusion of Financing Agreement</i> |
| End of operational implementation period | <i>6 years following the date of conclusion of Financing Agreement</i> |

¹ The total action cost should be net of VAT and/or of other taxes. Should this not be the case, clearly indicate the amount of VAT and the reasons why it is considered eligible.

1. RATIONALE

This action will have three main components which will contribute to the strengthening of technical and administrative capacity of the Kosovo administration in relation to the European integration process and to support the effective and efficient management and absorption of EU pre-accession funds as follow:

- Harmonisation of Kosovo legislation in the field of working conditions with EU legislation;
- Assistance for implementing the Stabilisation Association Agreement outcomes with a focus on supply of services (Title V);
- Support Measures and Technical Assistance Facility, and preparation of a single investment project pipeline.

PROBLEM AND STAKEHOLDER ANALYSIS

Harmonisation of Kosovo legislation in the field of working conditions with EU legislation

In 2013, Kosovo opened a new chapter of its path towards the EU. The June decision of the European Council to authorise the opening of negotiations for a Stabilisation and Association Agreement, represented the start of a significant new phase in EU-Kosovo relations. In its process of domestic law approximation to the EU Acquis, Kosovo needs to adopt the requirements of EU legislation and match them with adequate implementation and enforcement measures. This means that Kosovo shall progressively harmonise its legislation to that of the EU in the fields of working conditions, notably on health and safety at work and equal opportunities.

Since 2007, Ministry of Labour and Social Welfare (MLSW), has developed many laws and sub-laws in the area of labour, employment and social policy and has initiated preparations for legal alignment with the EU legislation. As of yet, Kosovo does not have a strategic document on aligning Kosovo legislation with EU Acquis.

The process of approximation of EU legislation into domestic legislation, during these years, may be considered to be in its initial steps. In all sectors covered by the fields of working conditions, the transposing process of respective directives has been launched. However, a deeper analysis on specific sectors of such legislation indicates that the extent of alignment is higher in some sectors, very low in others, or even inexistent at times.

During the process of approximation of legislation in the field of working conditions with respective EU directives, divergent interpretations of the concepts presented in such directives and regulations were raised by the drafters of the legislation, social partners, members of the parliament, and interested groups. This is due to the fact that the law drafters in Kosovo, social partners and the others, are not very well acquainted with the content and the details of the EU legislation. Therefore, in order to avoid misinterpretations of the concepts of EU directives, especially contradictions between social partners and governments, it is indispensable to start analysing directives pertaining specifically to labor law.

Inclusion of social partners in the early stages of the process of labour law approximation, will contribute to the most efficient and effective implementation of the labour legal framework by employers and employees. Frequent amendment of the legislation, shows that there is a lack of thorough analysis and adaptation to the Kosovo context.

It is crucial that not only the staff of public institutions must be included in the project activities, but also the social partners, who play an equally essential role to guarantee the practical implementation of the new requirements into the reality of the Kosovo businesses.

A general scan of the environment leads us to conclude that employers and employees are not aware of their rights and obligations due to lack of legislation. It will be important to elaborate, evaluate and disseminate messages designed to raise public awareness of the rights and obligations of both employers and employees under new legislation. The citizens of Kosovo lack the awareness on the importance of standards and the need for legislation. Therefore, the Action will contribute not only to improve the working environment, but also in a stronger economy as a whole. The amount of information given should correlate with the amount of information the target audience is ready to receive. The first task is to stimulate interest. Once this has been achieved, those targeted can be made aware where and how they can receive the more detailed information that will be prepared for them in the forms of manuals, leaflets, websites, workshops, etc.

Assistance for implementing the Stabilisation Association Agreement

The Stabilization and Association Agreement addresses inter alia the establishment of a free trade area between the EU and Kosovo through the identification of common political and economic objectives and encouraging of regional co-operation. Part of the free trade area is related to the supply of services as well.

Following the conclusion of the negotiations of an SAA, Kosovo needs to realize the full potential of the services sector, by removing unjustified or disproportionate legal and administrative barriers to the setting-up of a business by a service provider or to its cross-border activities in the EU, Kosovo needs expertise through technical assistance.

At this stage, the Law on Foreigners does not discriminate on grounds of nationality when it comes to employment of key personnel (supply of services by professionals). Article 72 paragraph 2 provides that foreigners performing key duties within a company may acquire temporary residence permit for the purpose of work provided. However, currently the legislation in services is not in full harmonization with the EU Service Directive. As such, persons willing to supply their services in Kosovo do not encounter a friendly business environment because a number of licenses are required and at cases there can be discriminatory requirements. In addition, when providers of services want to supply service activities in Kosovo, they do not have an information counter that provides all the necessary information regarding the procedures and formalities for supplying services.

As for the point of contact, there is a lack of horizontal line of communication in regard to trade in services. To address it, there is a working group established however its capacities are limited and need to be strengthened. The current legislation has many gaps but nevertheless the services sector has a great potential for further development as its trade balance is currently positive (Trade In Services (TIS) in 2013 was EUR 549.67 million; source from the Central Bank of Kosovo).

For this reason, through this action, Kosovo will aim at dismantling barriers affecting service recipients (whether consumers or businesses) wanting to have access to services from EU Member States, as well as enhancing recipients' rights and the quality of services.

Support Measures and Technical Assistance Facility, and Preparation of a single project pipeline

In October 2012, the Commission issued a Feasibility Study for a Stabilisation and Association Agreement between the European Union and Kosovo. The study concluded that Kosovo is largely ready to open negotiations for a Stabilisation and Association Agreement. It also suggested that the Commission would propose negotiating directives for such an agreement, once Kosovo takes a number of specific steps on the rule of law, public administration, protection of minorities and trade.

On 28 June 2013, EU heads of states and governments adopted decision authorising the opening of negotiations on a Stabilisation and Association Agreement between the European Union and Kosovo. In this light, SAA negotiations were launched on 28 October 2013, and were concluded in May 2014.

The SAA obligations assume that Kosovo public administration is ready and capable to adopt and implement the SAA in an efficient and effective manner, this way creating the preconditions for gradual integration into the EU. The Government's top priority is to establish the policy planning system as well as to prepare the structures and strengthen the capacities required for implementation of the SAA.

With the view to assist Kosovo in advancing its European agenda, the support to the European approximation and the development of the Project Pipeline 2015-2020 project will support specific projects which cannot be programmed in advance. These aim, on the one hand, to help prepare and implement action responding to the challenges identified in the SAA and the progress report, and, on the other, any action found necessary to support the measures the EU could take in line with the recent developments, but which cannot be identified at this stage as they will depend on the progress made with Kosovo's legislation and institutions.

RELEVANCE WITH THE IPA II STRATEGY PAPER (OR MULTI-COUNTRY STRATEGY PAPER) AND OTHER KEY REFERENCES

Harmonisation of Kosovo legislation in the field of working conditions with EU legislation

The Indicative **Strategy Paper** 2014-2020 for Kosovo sets out the priorities for EU financial assistance for the period 2014-2020 to support Kosovo on its path to accession. Financial assistance under IPA II pursues the following four specific objectives: (a) support for political reforms, (b) support for economic, social and territorial development, (c) strengthening the ability of the beneficiary country to fulfill the (future) obligations stemming from membership in the EU by supporting progressive alignment with the Union acquis, (d) strengthening regional integration and territorial cooperation.

One aim of IPA II will be to support Kosovo's institutions in developing comprehensive sector strategies. The main challenge for Kosovo, however, is not the drafting of legislation, strategies or action plans, but their implementation. This is a challenge across many sectors, mainly due to limited capacity, expertise and experience in the responsible institutions. Percentage of legislation aligned with EU legislation steadily increased, entered into force and effectively implemented, will be one of the indicators of EU assistance.

The Action will also address the recommendations and suggestions of the 2012 and 2013 **Annual Progress Reports**, mainly the need for Kosovo to have a strategy and a plan to address the approximation of law on safety and health at work with EU legislation as well as to mitigate the lack of legal expertise to assist social partners in the legislative process and to strengthen their advocacy skills and their capacity in management.

With regard to the European Commission's strategy 2007 – 2012 on safety and health at work, a series of measures at European and national level were defined with a view to achieve an overall 25% reduction of occupational accidents and diseases in the EU by improving health and safety protection for workers. The new Strategic Framework on Health and Safety at Work 2014-2020 adopted by the European Commission identifies key challenges and strategic objectives for health and safety at work in line with the [Europe 2020 Strategy](#). Two of the major health and safety at work challenges are the

improvement of implementation of existing health and safety rules, in particular by enhancing the capacity of micro and small enterprises to put in place effective and efficient risk prevention strategies and the improvement of the prevention of work-related diseases by tackling new and emerging risks without neglecting existing risks. This will contribute to the success of the Growth and Jobs Strategy².as productivity and safety at work are strongly linked to European growth and competitiveness.

The **Strategy for equality between women and men 2010-2015** follows on from the roadmap 2006-2010 for equality between women and men. It takes up the priorities defined by the women's charter and forms the Commission's work programme. This Strategy places the focus on improving the place of women in the labour market, in society and in decision-making positions both in the European Union and the world. As set by the Europe 2020 strategy, this strategy aims to achieve a 75% employment rate extended to those groups of women with the lowest employment rates.

Our proposed action is also in line with the **South East Europe 2020 (SEE 2020)** strategy calling for improvement of employment outcomes through the pursuit of joint actions for better labour market governance. More effective labour market governance strikes an enabling balance between employers' requests for increased efficiency and flexibility in the labour market and workers' needs for job stability, social protection and social security.

The objectives and proposed activities of this project are also linked to the **Action Plan 2014-2016**, which is being developed by the MLSW.

Assistance for implementing the Stabilisation Association Agreement

The **Kosovo Progress Report of 2013** states that 'alignment with the acquis is at a very early stage and there are several restrictions for third country nationals to providing services in Kosovo. Kosovo is currently negotiating the liberalization of trade in services within CEFTA. The Qualifications Authority of Kosovo has approved and registered six professional qualifications (list in the annex section) in Kosovo's system, which is aligned with the European qualifications framework. The Qualifications Authority has accredited twelve providers of professional training programmes. Alignment with the acquis on the mutual recognition of professional qualifications and professional training programmes is still limited.'

In June, the European Council authorized opening of negotiations for a **Stabilization and Association Agreement** (SAA) between the EU and Kosovo. The joint report issued on Kosovo's progress concluded that Kosovo had met all the short-term priorities outlined in the study. The report is based on information gathered and analysed by the Commission. Many sources have been used, including contributions from the Kosovo authorities, the EU Member States, the EU rule of law mission (EULEX), European Parliament reports and information from various international and non-governmental organizations. The SAA contains a full chapter on supply of services which addresses the mutual recognition of professional qualifications and the modalities which will be established by the Council of SAA to extend the provisions of the chapter related to services.

Support Measures and Technical Assistance Facility, and Preparation of a single project pipeline

² Europe 2020

Efficient and effective public administration is crucial to fulfill the Copenhagen criteria and has a key role to play in improving governance through more stable institutions and the implementation of the public administration reform agenda.

One of the four objectives pursued under the Indicative Strategy Paper for Kosovo is to strengthen the ability of the beneficiary country to fulfil the obligations stemming from Union approximation by supporting progressive alignment with, implementation and adoption of, the Union acquis. Rightfully the EU integration process will require all ministries and other relevant institutions to build the capacities and secure the resources to be able to address the key challenges arising from the EU integration process.

IPA II assistance will support Kosovo to continue its reform of public administration at central and local level, including the enforcement of legislation on the civil service. IPA II will support the alignment of the Kosovo institutional framework and capacities with the standards required by the acquis in particular the implementation of the future SAA.

The action is linked and complementary to the ongoing project “*Support to Kosovo’s Policy and Strategic Planning*” in the Office of the Prime Minister, which commenced in February 2014 and is expected to end by the end of 2015. This fits well with the overall planning of support in the area policy and strategic planning. By 2016 Kosovo needs to have in place the policy planning document for the implementation of the SAA, therefore, the national policies need to be harmonized and prioritized in compliance with the SAA obligations. The action is a continuation of the ongoing project that supports the Strategic Planning Office in the OPM.

This project will support implementation of the Indicative Strategy Paper for Kosovo 2014-2020 and the Kosovo development plans 2015-2017/20 through creation of mature projects with a full set of project documentation in accordance with EU procedures for Programming and Procurement Rules which will allow project preparation and implementation to proceed in a quick and effective manner.

SECTOR APPROACH ASSESSMENT

Harmonisation of Kosovo legislation in the field of working conditions with EU legislation

The proposed action builds on the **Ministry of Labour and Social Welfare’s** Sectoral Strategy 2014-2020 “Employment and Social Welfare”. This strategy, also accompanied by an action plan, will be the main MLSW sector paper, which contains objectives, activities and actions to be taken during forthcoming years. This strategy is currently awaiting approval by the Government of Kosovo.

Within strategic priorities of Kosovo, laid down in the Government Programme 2011 - 2014, one of the priority fields of commitment is social welfare.

For reaching such goal, Government has approved **Mid-term Priority Policy Statement 2014-2016** (MTPPS), which aims at elaborating the programme based on four (4) strategic objectives (depicted below). The MTPPS paper is the key document which guides the Government on planning the budget through developing Mid-term Expenditure Framework (MTEF). Both papers, MTPPS and MTEF determine existing and new policies related to key fields for country's development, and at the same time aiming at strengthening social cohesion and equal participation of citizens in country's public life.

Kosovo continues to provide support and protection for all citizens without any discrimination based on ethnicity, gender, religion, race, from children to older people without family care. Despite the unemployment, Kosovo remains committed to carry on with existing policies related to reforms and modernization of Public Employment Services, focusing on physical and methodological capacity

building, and in establishing Employment Agency, expanding active labour market policies with focus on promoting youth employment, people with disabilities, women, long-term unemployed and communities. MLSW is carrying on with improving capacities at Regional Vocational Training Centres (VTCs). In accordance with the IMF Letter of Intent, the current level of minimum wage will be maintained but also the review of Labour Law in aspects related to women employment.

In accomplishing the vision set above, the strategic plan determines four (4) strategic objectives. Such objectives address the need for changing and improving the life of the Kosovo citizen but also represent the challenges for relevant institutions. The strategic objectives cover vital segments of the sector and include: a) employment and vocational training, b) social welfare, c) pension system and d) social dialogue and labour relations.

Mid-term Priority Policy Statement 2014-2016 - Strategic objectives:

- **SO 1.** Increase of employment of women and men, development of skills and better functioning of the labour market.
- **SO 2.** Improve the social welfare through expansion and increase of quality of provision of social and family services, with special focus on vulnerable groups and gender equality.
- **SO 3.** Develop a sustainable pension system; strengthen of institutional capacities for realisation of rights for benefits, and better services for female and male pensioners and categories originating from war.
- **SO 4.** Strengthen the role of social partners in development of socio-economic policies of the country, improvement of working conditions for the employees and reducing the informal employment among women and men.

According to the fourth objective of sectorial strategic, there are three (3) foreseen specific objectives, as below:

1. Development and reinforcement of the dialogue with social partners, specifically with the employers and employees organisations/ unions, through the capacity development of the structures and work system of KES;
2. Improvement of the employees' rights and the guarantee of minimum standards of health and safety at work, in accordance to international standards through the advancement of the legal framework, awareness raising and better monitoring of this legal framework;
3. Strengthening of interagency coordination mechanisms in reducing informal employment.

This project is expected to contribute directly towards approximation of national legislation to the EU Acquis in the field of working conditions, strengthening of the administrative capacities of the MLSW and the social partners in drafting, implementing and monitoring of the upgraded/ approximated legal framework.

The aim behind this approach is to develop a Sectoral strategy for MLSW thus providing a coherent expenditure framework for Kosovo and to increase support from donors who are active in this sector. Particular emphasis was placed on establishing a process under Ministry ownership, which sets a systematic approach and which is based on administrative and formal requirements of the Government of Kosovo.

Assistance for implementing the Stabilisation Association Agreement

Private Sector Development Strategy - The strategy of the Ministry of Trade and Industry, Private Sector Development 2013-2017 in an effort to increase quality infrastructure and reduce the trade negative balance, aims to create a globally competitive private sector by offering qualitative products and services. The strategy provides a framework for possible interventions by central and local government, private sector and non-governmental organisations. These interventions will inspire changes necessary for achieving modern infrastructure, sustainable economic development, as well as providing efficient public services. However the current legislation regarding supply of services is not in line with the EU Service Directive yet.

Further to the conclusions of the formal negotiation of the Stabilisation and Association Agreement between the EU and Kosovo in May 2014 and the forthcoming signature of the SAA, Title V of the SAA provides, inter alia, for the supply of services and the implementation of the Services Directive.

Support Measures and Technical Assistance Facility, and Preparation of a single project pipeline

The activities under this project are horizontal and cross several sectors. In terms of IPA 2014 Programme and following the logic of the CSP, this Action is presented within the Democracy and Governance sector.

LESSONS LEARNED AND LINK TO PREVIOUS FINANCIAL ASSISTANCE

Harmonisation of Kosovo legislation in the field of working conditions with EU legislation

IPA 2009 project “**EU support to the Ministry of Labour and Social Welfare (MLSW)**” developed a draft legal framework for future implementation of the Active Labour Market Measures (ALMM), preparing the grounds for more efficient interventions. The limited capacity building and training was supplied to the LI. The purpose of the on-going EU-funded project “**Support to the Labour Inspectorate**” has recently started (October 2013) is to improve the capacity of the LI for more efficient monitoring, enforcement and implementation of laws and regulations in the field of safety and health at work by improving the organisational set-up, training of staff and assessment of needs for establishing an information system and prepare 5 sub-legal acts. The need for this project request was identified during the inception phase when the national legislation in the field of labour were analysed by project experts.

There are at least two issues that MLSW will tackle with the projects. First, the transfer of know-how from the project’s staff to the civil servants, the work of the experts and the one of civil servants in certain MLSW departments and other public institutions, such as LI and Employment Agency, has to be very close. Civil servants must be capable of building on the expertise provided by the project. Second of all, coordination between different projects is needed in order to avoid overlapping of activities and inappropriate spending of resources. In this regard, we expect a transfer of knowledge from the project.

Assistance for implementing the Stabilisation Association Agreement

Considering the technical assistance, transfer of knowledge and skills from the experts of the project team to the civil servants is a complex issue because capacity development requires more time than usually foreseen in the projects. To overcome this shortcoming, the action will focus on the primary stakeholders in order to have their full commitment for the successful implementation of the EU Services Directive and the enhancement of the liberalisation of the services. In addition, effective communication and cooperation will target all primary stakeholders as a crucial element for the success of the action since the process of supplying services and harmonisation of the respective laws engages a wide range of stakeholders from various institutions.

Furthermore, based on past experiences with similar actions, the complexity of the issue and the wide range of areas covered by the EU Services Directive, proper cooperation and communication strategies between different stakeholders affected by the transposition and implementation of the EU Services Directive are crucial. Considering the sensitivity of the action, and the fact that another on-going project financed by the EU (TA for further development of Kosovo's trade policy) focuses on some of the outcomes of SAA, the project team will ensure the complementarity of this action with other projects.

Support Measures and Technical Assistance Facility, and Preparation of a single project pipeline

Many projects have been successfully implemented under previous programmes, including 2007-13 IPA programmes. Experience confirms that this type of assistance is particularly useful for responding quickly to urgent needs identified in the course of implementation of the IPA and EU approximation. It gives Kosovo the possibility of addressing unforeseen tasks linked to further strengthening its administrative capacity in order to advance with its EU reform process.

2. INTERVENTION LOGIC

LOGICAL FRAMEWORK MATRIX

| OVERALL OBJECTIVE | OBJECTIVELY VERIFIABLE INDICATORS (OVI) | SOURCES OF VERIFICATION | |
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| <p>The main objective of the action is to support Kosovo in its EU approximation process, with a particular focus on working conditions, integration towards an Internal Market in Services, and the better programming and absorption of EU funds.</p> | <ul style="list-style-type: none"> • Degree of compliance with <i>acquis</i> • Effective implementation of SAA outcomes regarding trade in services and labour legislation • Fulfilment of the follow-up actions identified in the SAPD meetings • Number of regional cooperation initiatives undertaken by Kosovo institutions. | <ul style="list-style-type: none"> • European Commission Kosovo Progress Report • Official publications of Ministry of Trade and Industry • Conclusions of Stabilization and Association Process Dialogue (SAPD) meetings • Policies and mechanisms developed and adopted by the government. | |
| SPECIFIC OBJECTIVE | OBJECTIVELY VERIFIABLE INDICATORS (OVI) | SOURCES OF VERIFICATION | ASSUMPTIONS |
| <p><u>Harmonisation of Kosovo legislation in the field of working conditions with EU legislation</u></p> <p>To improve the working conditions for Kosovo employees through the harmonization of Kosovo legislation in the field of working conditions with EU legislation and increased awareness of relevant stakeholders</p> <p><u>Assistance for implementing the Stabilisation Association Agreement</u></p> <p>To make progress towards a genuine Internal Market in Services by</p> | <ul style="list-style-type: none"> • Legislation in the area of working conditions harmonized with <i>acquis</i>. • Decrease of the percentage of accidents at work in relation to the number of employed people. • Transposition of the EU Services Directive | <ul style="list-style-type: none"> • Table of Concordance. • Reports on Implementation of National Action Plan • Regular progress report • Annual Reports of the LI • European Commission | <ul style="list-style-type: none"> • Political will to improve the working conditions and to harmonise legislation in the area of working conditions with the <i>acquis</i>. • Provide businesses transition period to implement requirements of |

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| <p>dismantling barriers affecting service recipients (whether consumers or businesses) wanting to have access to services from EU Member States, as well as enhancing recipients' rights and the quality of services</p> <p><u>Support Measures and Technical Assistance Facility, and Preparation of a single project pipeline</u></p> <p>To strengthen technical and administrative capacity of the Kosovo administration in relation to the European integration process and to support the effective and efficient management and absorption of EU pre-accession funds.</p> | <ul style="list-style-type: none"> • Improvement of access to services, recipients' rights and quality of services • CSP priorities implemented as planned. • Increase in MEI's capacity to take responsibility for coordination and management of EU assistance programmes. | <p>Kosovo Progress Report</p> <ul style="list-style-type: none"> • Official publications of Ministry of Trade and Industry • Conclusions of Stabilization and Association Process Dialogue (SAPD) meetings • Monitoring reports. • Regular reports from contractors. | <p>the legislation.</p> <ul style="list-style-type: none"> • Good cooperation among all stakeholders • Government allocates sufficient resources to implement the output of the project. • Commitment from the beneficiaries to implement the projects. • Coordination of donors ensured by the government. |
| <p>RESULTS</p> | <p>OBJECTIVELY VERIFIABLE INDICATORS (OVI)</p> | <p>SOURCES OF VERIFICATION</p> | <p>ASSUMPTIONS</p> |
| <p><u>Harmonisation of Kosovo legislation in the field of working conditions with EU legislation</u></p> <p>Result 1: Full transposition/ approximation of national legislation with EU Acquis in the field of working conditions, until 2020.</p> <p>Result 2: Strengthened human capacity of the beneficiary institutions in order to ensure the implementation of the legislation.</p> <p>Result 3: Raised public awareness about the rights and requirements of workers and employers deriving from the new legislation.</p> | <ul style="list-style-type: none"> • Number of laws and sub-laws harmonized with EU acquis • Inspection guidelines and recommendations for labour inspectors for the implementation of new elaborated laws and sub-laws. • Public awareness communication strategy prepared and implemented • 3-5 model training programmes/modules designed and administrative structures, in line ministries, institutions and stakeholders are trained | <ul style="list-style-type: none"> • Laws and sublegal acts published on Official Gazette; • Acceptance protocols | <ul style="list-style-type: none"> • Continuous commitment and cooperation of all stakeholders. • Availability of adequate technical expertise in the area of harmonization of existing regulations with EU regulations. • Motivation of existing human resources. • EU integration is the priority of the |

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| <p><u>Assistance for implementing the Stabilisation Association Agreement</u></p> <p>Result 1: Transposition and implementation of EU Services Directive which will result in: - removal of trade in services (TIS) barriers (by focusing in telecommunication and postal services), - providing fair competition while protecting IPR, - strengthening the rights of recipients of services</p> <p>Result 2: Simplification of administrative procedures and establishment of "Points of Single Contact "</p> <p>Result 3: The capacity of administrative structures in services is strengthened and beneficiary awareness is raised about opportunities and benefits</p> | <ul style="list-style-type: none"> • Directive is fully transposed and effectively implemented as foreseen in the SAA • Services market is liberalised within the period intended in the SAA • Procedures and formalities can be completed at a distance and by electronic means from interested parties • Individuals and businesses are able to supply their services in a friendly business environment • Administrative structures in line ministries, institutions and stakeholders are trained • Customers and businesses are aware of the benefits resulting from the Services Directive | <ul style="list-style-type: none"> • Project implementation reports and indicators • Reports from the Ministry of Trade and Industry • OECD Small Business Act for Europe (SBA) Index • Private Sector Development Strategy (2013-2017) • World Bank Doing Business Report • Conclusions of Stabilization and Association Process Dialogue (SAPD) meetings | <p>government and of the Assembly of Kosovo.</p> <ul style="list-style-type: none"> • Institutional framework in place. • Kosovo makes progress towards SAA. • Progress made with document security, fighting organised crime, migration and border security. • Progress made in the dialogue on visas. |
| <p><u>Support Measures and Technical Assistance Facility, and Preparation of a single project pipeline</u></p> <p>Result 1: Elaborated small scale project documentation under <u>IPA 2014 support measures facility</u>, in order to meet specific and urgent needs identified in the course of the pre-accession and negotiation processes and for the management of IPA projects/Actions.</p> <p>Result 2: Kosovo's Ministry of European Integration and relevant line ministries capable of rapidly preparing and carrying out urgent and unforeseen action related to Kosovo's EU approximation efforts and EU reform agenda.</p> <p>Result 3: Ensured implementation of a number of accession related</p> | <ul style="list-style-type: none"> • CSP priority milestones achieved. • IPA programmes implemented with increased local ownership and involvement compared with previous years. • Level of progress made by the government on the SAA. • Number of laws aligned in the areas of intellectual property rights and copyright. • Number of macro-economic and fiscal policies developed and implemented by the government. | <ul style="list-style-type: none"> • Administrative information from TAK, MF, CBK, MTI, Customs • Kosovo Institute for Public Administration Reports • Monitoring reports. • Project implementation reports and indicators. | |

| <p>actions of various actors per different sectors by effective and participatory programming of <u>the Project Preparation Pipeline</u>.</p> <p>Result 4: Kosovo's institutional and socio-economic development more sustainable, including its macro-economic and fiscal framework, private-sector development, improvement of employment and social policies and higher standards for education, training and research.</p> <p>Result 5: Increased capacity of Kosovo's institutions to attract investment, stimulate growth and ensure sound socio-economic development.</p> | <ul style="list-style-type: none"> • Number of economic and fiscal reports prepared by the government. • Comprehensive strategy developed and put in place to guide Kosovo's efforts to meet EU requirements for visa liberalisation. • Successful commitment of project preparation facility to accession related actions of relevant stakeholders | <ul style="list-style-type: none"> • Independent monitoring exercises. • | |
|---|--|--|--|
| ACTIVITIES | MEANS | OVERALL COST | ASSUMPTIONS |
| <p><u>Harmonisation of Kosovo legislation in the field of working conditions with EU legislation</u></p> <p>Activities to achieve Result 1:</p> <p>Component 1: Transposition of EU directives in the area of working conditions into Kosovo legislation</p> <p>1.1. Assessment of existing legislation in the area of working conditions;</p> <p>1.2. Public consultations with all relevant stakeholders, including social partners, members of parliament, university professors, judges and civil society actors.</p> <p>1.3. Identification of priorities for harmonization of legislation with <i>aquis</i>;</p> <p>1.4. Drafting of new laws and sub-laws and amendments of existing laws and sub-laws;</p> <p>1.5. Conduction of research in international best practices and EU Directives, and ensure that final versions of these draft laws and sub-laws are not in violation of such;</p> <p>1.6. Organization of meetings and public presentations with social partners and other relevant stakeholders;</p> <p>1.7. Preparation of legal explanatory memoranda relating to the draft laws and sub-laws, including but not limited to Regulatory Impact Assessment and all</p> | <p>1. Technical Assistance via a Service Contract</p> | <p>EUR 1.0 million</p> | <ul style="list-style-type: none"> • Commitment of the Government for continuing reform process and harmonization with the EU practices in the field of working conditions. • Commitment of social partners for participation in the project activities. • Participants from the administrative structure fully available for implementation of the activities • Government provides financial and political |

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| <p>other required documents, as necessary;</p> <p>1.8. Effect revisions to the draft laws and sub-laws in the light of views and comments expressed by the social partners and other relevant stakeholders.</p> <p>Activities to achieve Result 2:</p> <p>Component 2 Implementation of human capacity building activities for the beneficiary institutions to implement requirements of EU directives in the area of working conditions</p> <p>2.1. Training needs assessment and development of training plan for the staff of the MLSW, LI, Employment agency, social partners and other relevant stakeholders.</p> <p>2.2. Elaboration of inspection guidelines and recommendations for labour inspectors for the implementation of new elaborated laws and sub-laws.</p> <p>2.3. Design of model training programmes in 3-5 identified areas.</p> <p>2.4. Provision of training courses of trainers (Training of Trainers) in identified 3-5 areas.</p> <p>2.5. Organization of training activities for the staff of the MLSW, LI, social partners and other relevant stakeholders (including training workshops in all regions of Kosovo).</p> <p>2.6. Organization of study visits to 2 EU member states (Germany and Croatia).</p> <p>Activities to achieve Result 3:</p> <p>Component 3: Organization of public awareness raising activities</p> <p>3.1. Implementation of public awareness raising campaigns on new elaborated laws and sub-laws (including media relations, public workshops for employers and employees, public surveys, etc.).</p> <p>3.2. Elaboration of informative materials (guides, practical tools, leaflets, posters etc.) for employers and employees about the topics deriving from the new elaborated laws and sub-laws.</p> <p>3.3 Establishment of a hotline for reporting any infringements of the rights of employees</p> | | | <p>support to the beneficiary institutions.</p> <ul style="list-style-type: none"> • Beneficiaries show commitment to the project and allocate sufficient and appropriate staff. • Public administration is capable of absorbing the activities. |
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| <p><u>Assistance for implementing the Stabilisation Association Agreement</u></p> <p>Activities to achieve Result 1: Services Directive</p> <p>1.1 Systematic inventory of all domestic legislation related to services, including all services not covered by the Services Directive</p> <p>1.2 Reviewing/Screening/Commenting domestic legislation professional services, telecommunication and postal services with a focus on gap analysis.</p> <p>1.3 Defining a strategy for adapting the domestic legislation to the EU Services Directive, with a clear vision about priorities, the sequencing of actions and the adoption of progress/achievement indicators.</p> <p>1.4 Analyse future needs related to the administrative cooperation through the Internal Market Information System (IMI system).</p> <p>1.5 Prepare the electronic Handbook related to the implementation of the Services Directive in Kosovo for all employees of Kosovo administrative structures working on the implementation of the Services Directive on the central, regional and local level.</p> <p>1.6 Monitoring and evaluating the actual transposition and implementation of the Services Directive and formulation of actions to address possible delays and eventual impediments.</p> <p>Activities to achieve Result 2: Simplification of administrative procedures and establishment of Points of ‘single contact’(PCS)</p> <p>2.1 -Simplification of procedures and formalities applicable to service providers: examine all procedures and formalities applicable to access to a service activity and to exercise and simply them if these procedures are not sufficiently simple</p> <p>2.2 -Set up "points of single contacts" and ensure that they are functioning.</p> <p>2.3 - Information and assistance through the PCS: Develop instructions on periodical maintenance for updating the PCSs</p> <p>2.4 - Set up fully functioning and interoperable electronic procedures</p> | <p>2. Technical Assistance via a Service Contract</p> | <p>EUR 1.0 million</p> | |
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Activities to achieve Result 3: Capacity building and awareness

3.1 Conduct training for administrative structure and competent bodies on the EU Services Directive

3.2 Enhance mutual recognition of qualifications

3.3 Public awareness activities on the benefits for business and for customers.

Support Measures and Technical Assistance Facility, and Preparation of a single project pipeline

The Support Measures facility will support preparation and/or implementation of action identified as necessary within the IPA programme and Kosovo's EU reform agenda. It will support possible urgent priorities that arise from the EU integration process or other political developments that are beyond the Commission's control and which cannot be programmed in advance. Action supported will target, in particular, priority areas identified in the Country Strategy Paper for Kosovo for the period 2014-2020.

The Project Preparation Facility will be a support measure facility in the form of drafting of (pre-) feasibility and impact studies and carrying out (pre-)investment studies (environmental impact assessments, business plans, market studies, economic and cost-benefit analysis, investment appraisals etc.) for the upcoming investments and preparation of procurement documents (terms of reference, technical specifications, bills of quantities, guidelines for grant schemes and other supporting documents for tender dossiers); Preparation of various analysis, studies, surveys, reviews, assessments or monitoring reports on a need basis for the purpose of support to the EU financial assistance and integration process of Kosovo.

3. Procurement, including works, supply and services.

EUR 6.0 million

ADDITIONAL DESCRIPTION

Harmonisation of Kosovo legislation in the field of working conditions with EU legislation

In order to achieve the overall objective, the proposed project will centre around four (4) main Actions as described below:

- Action 1:** Transposition of EU directives in the area of working conditions in Kosovo legislation..
- Action 2:** Implementation of human capacity building activities for the beneficiary institutions to implement requirements of EU directives in the area of labour relations
- Action 3:** Organization of public awareness raising activities.

Action 1 is the crucial part of all Action as it sets out the foundation of the other stages and leads to a full legal harmonisation in the field of working conditions (Result 1). To achieve this result, the proposed Action will comprise several activities, such as: assessment of existing legislation in the area of working conditions; identification of priorities for harmonization of legislation with *aquis*; drafting of new laws and sub-laws and amendments of existing laws and sub-laws. Also, research in international best practices and EU Directives will be conducted to ensure that final versions of these draft laws and sub-laws are not in violation of such. One of the priorities of the Action will be involvement of the social partners, as well as other relevant stakeholders. Therefore, a number of meetings and public presentations with social partners and other relevant stakeholders to discuss the new legislation will be organized. Revisions to the draft laws and sub-laws, in light of views and comments expressed by the social partners and other relevant stakeholders will be taken into account. When preparing draft laws, other laws that could be impacted will be reviewed as well (ie. changing the length of maternity leave and the possible impact on paternity leave and child care facilities). Also legal explanatory memoranda relating to the draft laws and sub-laws, including but not limited to Regulatory Impact Assessment and all other required documents, as necessary, will be prepared.

To achieve the result of **Action 2** - strengthened human capacity of the beneficiary institutions in order to ensure the implementation of the legislation, the Action will implement training needs assessment and development of training plan for the staff of the MLSW, LI, Employment Agency, social partners and other relevant stakeholders. Based on the results of the training needs assessment model training programmes in 3-5 identified areas will be designed. The Action will provide Training of Trainers courses, where also representatives of social partners will be included. The trained and approved trainers will be involved in the design of the model training programmes and supported and coached by experienced trainers during the first course they implement. Training workshops for the staff of the MLSW, LI, Employment agency, social partners and other relevant stakeholders (also in all regions of Kosovo) will be held to strengthen their capacities in implementing the new legislation. Also inspection guidelines and recommendations for labour inspectors for the implementation of new elaborated laws and sub-laws will be expanded and used during the training activities. Two EU best practices study visits will be organized to review the best practices in implementation of legislation in area of working conditions, cooperation between governmental institutions and social partners, information of workers and employers about their rights and obligations, etc.

Workers and employees are not aware on their rights and obligations because of the lack of legislation. For **Action 3**, it will be important to elaborate, evaluate and disseminate messages designed to raise public awareness of the rights and obligations of both workers and employers under new legislation. The citizens of Kosovo lack the awareness on the importance of standards and the need for legislation. Therefore, the Action has to demonstrate how this will result not only in an improved working environment but also in a stronger economy as whole. The amount of information given should correlate with the amount of information the target audience is ready to receive. The first task is to stimulate interest. Once this has been achieved, those targeted can be made aware where and how they can receive the more detailed information that will be prepared for them in the forms of manuals,

leaflets, websites, workshops, etc. Under this activity public awareness raising campaigns on new elaborated laws and sub-laws (including media relations, public workshops for employers and employees, public surveys, etc.) will be organized and informative materials (guides, practical tools, leaflets, posters etc.) for employers and employees about the topics deriving from the new elaborated laws and sub-laws will be elaborated.

The success of the Action depends on the following conditions:

- Political will to improve the working conditions and to harmonize legislation in the area of working conditions with the *acquis*;
- Continuous commitment and cooperation of all stakeholders;
- Motivation of existing human resources;
- Availability of adequate technical expertise in the area of harmonization of existing regulations with EU regulations;
- Commitment of social partners for participation in the project activities.

Assistance for implementing the Stabilisation Association Agreement

The capacity of the ministries and other institutions to conduct a thorough analysis and to design policy and program interventions remains limited. Transposing the EU Services Directive to the current legislation and liberalizing services has been a challenging process for all the countries in the region due to its complexity. For this reason, the current administration encounters difficulties for national administrations, administrative rules and principles for transposition of the directive into domestic laws.

Based on the assumptions that Kosovo will start SAA implementation around the end of 2015, the implementation of the EU Services Directive will create a narrow time limit for transposition which in turn will create a pressure for ad-hoc solutions leading to longer term difficulties adding to lack of familiarity with the matter (as supply of services is not in full harmonization with the EU Directives). Failure to implement EU Directives correctly and in time will lead to significant costs. To avoid the potential problems arising from liberalizing the supply of services, greater legal and administrative expertise is necessary to be recruited to assist the civil service focused particularly on those departments with responsibility for drafting the domestic laws and implementing the EU Services Directive.

Support Measures and Technical Assistance Facility, and Preparation of a single project pipeline

The Support Measures Facility will support preparation and/or implementation of action identified as necessary within the IPA programme and Kosovo's EU reform agenda. It will support possible urgent priorities that arise from the EU integration process or other political developments that are beyond the Commission's control and which cannot be programmed in advance. Action supported will target, in particular, but not exclusively, areas such as the rule of law, public administration reform, decentralisation, trade, economic development and revitalisation (including macro-economic and fiscal mechanisms), private-sector development, employment and social policies, education, training and research, culture and minority communities, sectorial approximation (energy, the environment and transport) and building institutional capacity. Implementation will follow three guiding principles:

- Action will be based on priorities identified in the Commission's annual Progress Reports, the SAA negotiations, the CSP for Kosovo 2014-2020 or related strategy papers.

- Action will include institution-building and support for investment directly related to the EU approximation process and Kosovo's EU reform agenda.
- Action will target specific, achievable and sustainable results.

The Project Preparation Pipeline Facility will support the government of Kosovo, namely the Ministry of European Integration, the Strategic Planning Unit in the Office of the Prime Minister and the relevant ministries in the preparation of documentation for financially viable projects for financing by EU pre-accession/accession assistance (and possibly by IFIs and/or other donors) developed and ready for implementation (e.g. feasibility studies, cost-benefit analyses, environmental impact assessments, application forms for major projects, etc.).

Support will also be provided for designing small scale project documentation (analysis, study, survey, review, assessment or monitoring) in order to meet specific and urgent needs identified in the course of the pre-accession and negotiation processes and management of projects.

3. IMPLEMENTATION ARRANGEMENTS

ROLES AND RESPONSIBILITIES

Component 1: The main institutional stakeholder involved in the management and implementation process of the Action is **MLSW**.

MLSW based in Regulation No. 02/2011 for the fields of administrative responsibilities of Prime Minister Office and ministries. In regard to the Action the MLSW has the competences and responsibilities to develop work and social welfare policies and draft and implement the legislation in these areas; to set standards for occupational safety and protection at work and supervise their implementation; to promote and encourage social dialogue between social partners (workers organizations, unions, employers' organizations and Government). MLSW will be the main project stakeholder involved in the management and implementation process of the Action.

The LI was established by the UNMIK Regulation on Essential Labour Law by a separate Law on Labour Inspectorate adopted in 2002 and amended in 2008. LI operates under the MLSW and is responsible for supervising the implementation of the legal provisions in field of labour, including labour relations and health and safety at work. Labour inspectors are also responsible for explaining provisions of the legislation to both employers and employees.

In order to achieve the results of the Action, a number of **working groups** will be organized under each component.

Component 2: Ministry of Trade and Industry is the leading ministry for supervising and implementing the SAA outcomes regarding the supply of services. However, other line ministries will be included in the transposition and implementation of the EU Services Directives, such as the Ministry of Education, Science and Technology, Ministry of Justice, Ministry of Labor and Social Welfare, Governmental Agencies, and professional services associations, such as the Chamber of Advocates, Society of Certified Accountants and Auditors of Kosovo (SCAAK), Association of Information and Communication Technology (STIKK), Association of Professional Journalists, Construction Workers Association, Architects Association, Kosovo Chamber of Commerce, American Chamber of Commerce, Education Association, Insurance Association, Bankers Association, Tourism Association, Transport Association, Hydro-energy Association and Medical Association

Component 3: The EU Office in Kosovo is still in charge of implementing the EU assistance to Kosovo and it will work closely with the Government of Kosovo, mainly Ministry of European Integration to ensure that the actions identified under both facilities mentioned above are in line with the CSP 2014-2020 and the national development strategies in different sectors.

IMPLEMENTATION METHOD(S) AND TYPE(S) OF FINANCING

Harmonisation of Kosovo labour legislation in the field of working conditions with EU legislation

The beneficiary for this project is MLSW. The project will have a **Steering Committee (SC)** which will be set up to monitor progress of the Action and to ensure timely achievement of results. SC will meet at the regularly basis as well as whenever any of its members deems it necessary. SC will comprise representatives of the MLSW, Employment Agency, LI as well as social partners' organizations. Other relevant stakeholders will be invited as observers.

The project will be implemented via 1 (one) service contract in duration of 24 months.

Assistance for implementing the Stabilisation Association Agreement

The Project of EUR 1,000,000.00 will be funded by the European Union Office in Kosovo in the form of technical assistance through the centralised management of the Instrument for Pre Accession. The project will be implemented via 1 (one) service contract in duration of 24 months.

Support Measures and Technical Assistance Facility, and Preparation of a single project pipeline

Depending on the needs related to the EU integration process, both facilities described above will be implemented through a number of service/framework contracts as well as work contracts, supply contracts where the need for a rapid response of the Commission to non-programmable events is such that the duration of the procedure to amend this decision would frustrate the purpose of such response.

4. PERFORMANCE MEASUREMENT

METHODOLOGY FOR MONITORING (AND EVALUATION)

Component 1: MLSW starts planning of Monitoring and Evaluation (M&E) Framework at the same time with project planning phase – i.e. at the very start of the project cycle. We use M&E to collect and analyse information regularly, i.e. monthly, or every year, depending on the nature of the project. The information that we collect can be about anything that is relevant to project objectives, results and activities.

Key phases of MLSW Monitoring and Evaluation system:

- Identifying the scope of the M&E, projects goals and objectives: usually taken from the projects log-frame.
- Determining M&E questions and indicators, in this step, the most important evaluation questions, which are based to the stated goals and objectives are identified, such as:
 - What do we want to know at the end of this project?
 - What do we expect to change by the end of this project?

- Determining M&E Framework, this step includes the monitoring and evaluation methods, data collection methods and tools, analysis plan, and an overall timeline. The M&E framework addresses the following issues:
 - What information needs to be monitored?
 - Who Will Conduct M&E
 - How will the information be collected and recorded?
 - Which outcomes/outputs will be measured?
 - How will the data be analysed and disseminated?
- Developing M&E Work Plan, the plan provides a format for presenting the inputs, outputs, outcomes, and impacts—and their corresponding activities—for each program objective. It summarizes the overall monitoring and evaluation plan by including a list of methods to be used in collecting the data.
- Use M&E Findings, to support decision-making process during the project implementation and lessons learnt are recorded.

According to evaluation technicality, MLSW will undertake project evaluations only during project implementation to ensure immediate feedback for modification and improving on-going implementation, as well as to measure efficiency and effectively at the level of outcomes, outputs and inputs. However, MLSW does not carry out the ex-post evaluation or impact assessment of its projects; we believe that the third party evaluation will provide better and reliable information regarding the impact and sustainability of the projects intervention.

Component 2: Reporting and monitoring and evaluation activities will be conducted to ensure proper monitoring of the project activities. These will be carried out through meetings and M&E reports.

Component 3: Monitoring of the progress of the implementation of this Action sector will be done in accordance with the rules and procedures for monitoring established in the EU Office in Kosovo.

INDICATOR MEASUREMENT:

Harmonisation of Kosovo Labour Law with EU legislation

| Indicator | Description | Baseline (2014) | Last available (year) | Milestone 2017 | Target 2020 | Source of information |
|-----------------------------|---|-----------------|-----------------------|----------------|-------------|--|
| CSP indicator | | | | | | |
| Legislation harmonized | Relevant legislation in the area of working conditions harmonized with <i>acquis</i> . | <i>n/a</i> | 0 | 0,75 | 1 | <i>Laws and sublegal acts published on Official Gazette</i> <i>Acceptance protocols</i> |
| Accidents at work decreased | Decrease of the percentage of accidents at work in relation to the number of employed people | <i>n/a</i> | 0 | 5% | 10% | <i>Annual Reports of the LI</i> |
| Action outcome indicator1 | Training programmes/modules designed and administrative structures, in line ministries, institutions and stakeholders are trained | <i>n/a</i> | 0 | 3-5 | 5-7 | <i>Reports on Implementation of National Action Plan</i> |
| Action outcome indicator 2 | Public awareness communication strategy prepared and implemented | <i>n/a</i> | 0 | 1 | 1 | <i>Regular progress report</i> |

Assistance for implementing the Stabilisation Association Agreement

| Indicator | Description | Baseline (2012) | Last available (2013) | Milestone 2017 | Target 2020 | Source of information |
|----------------------|---|-----------------|-----------------------|----------------|-------------|---|
| Directive transposed | The EU Services Directive is transposed | <i>n/a</i> | <i>n/a</i> | 1 | 1 | <i>European Commission Kosovo Progress Report</i> |

| | | | | | | |
|-------------------|------------------------------------|------------------------|-------------------------|-------|------|--|
| | | | | | | <i>Conclusions of Stabilization and Association Process Dialogue (SAPD) meetings</i> |
| Exports increased | The services balance has increased | <i>EUR 199 million</i> | EUR 229 million +15% | + 30% | +50% | <i>Official publications of Ministry of Trade and Industry</i> |

Support Measures and Technical Assistance Facility, and Preparation of a single project pipeline

| Indicator | Description | Baseline (2015) | Last available (2014) | Milestone 2017 | Target 2020 | Source of information |
|--|---|------------------------|------------------------------|-----------------------|--------------------|--|
| Strategy Paper priorities implemented as planned. | The Indicative Strategy Paper objectives in the different sectors are implemented as per the plan. | <i>n/a</i> | <i>n/a</i> | 50% | 100% | AOSD reports produced by the EU Office in Kosovo Mid-term review of IPA 2014-2020 |
| Increase in MEI's capacity to take responsibility for coordination and management of EU assistance programmes. | MEI takes a more leading role in the implementation of IPA assistance by developing a project pipeline to address the major needs identified in the | <i>n/a</i> | <i>n/a</i> | 50% | 100% | Joint Monitoring Committee meeting reports MEI reports |

Enlargement

5. CROSS-CUTTING ISSUES

ENVIRONMENT AND CLIMATE CHANGE (AND IF RELEVANT DISASTER RESILIENCE)

For the first component of the project is **Rio Marked** for Climate Change **Adaptation** if its activities contribute to reducing the vulnerability of human or natural systems to the impacts of climate change and climate-related risks, by maintaining or increasing adaptive capacity and resilience. In line with this, our proposed Action 2 aims at harmonising Kosovo national law with EU legislation, thus ensuring that non-environmental friendly techniques and practices currently utilised in the workplace are identified and penalized.

In regard to components 2 and 3 none of the activities within the project are expected to have a relevant environmental impact Nevertheless, should any of the sub activities raise environmental considerations then everything will be screened against environmental sustainability.

ENGAGEMENT WITH CIVIL SOCIETY (AND IF RELEVANT OTHER NON-STATE STAKEHOLDERS)

For the first component throughout the preparation of the proposal, MLSW has facilitated a number of meetings related to implementation of the action with relevant stakeholders, including representatives of public, private and civil society sector, such as members of the parliament, judges, non-governmental organisations, businesses and other social partners. Based on intensive consultations, all mentioned stakeholders have expressed their full cooperation in implementing the action and have a positive attitude towards activities outlined in the proposal and to MLSW if awarded the grant.

Our action is inclusive by nature and directly linked to the development of a *synergy approach* among private and public authorities by means of **a strong partnership, best practice transfer and local ownership**. This action will set up a framework that will be recognized and followed by all actors included in the planning and implementation of future projects in other fields, related to national law harmonisation with EU acquis.

For component 2 focus groups and seminars will be organized with the civil society as well as other non-state stakeholders in order to raise the awareness on the new legislation adopted through the EU Service Directive. Special efforts will be made to inform different business groups and associations in regards to the professional qualification requirements resulting from the transposition and implementation of the EU Service Directive.

EQUAL OPPORTUNITIES AND GENDER MAINSTREAMING

For the first component this project intends to integrate gender concerns into proposed activities of the proposed action. As defined by the EU Commission, “gender mainstreaming is the integration of the gender perspective into every stage of policy processes – design, implementation, monitoring and evaluation – with a view to promoting equality between women and men.” In line with that, our project will benefit both women and men through improvements of labour relation policy, notably safety and health at work. For all activities, both men and women will have equal opportunities to compete for contracts and to work on any related activities. Ensuring equal conditions is a prerequisite to achieve sustainable development in the labour market. When preparing draft laws, other laws that could be impacted will be reviewed as well (i.e. changing the length of maternity leave and the possible impact on paternity leave and child care facilities).

For the second component the project will take a pro-active approach to offering equal opportunities for everyone involved in the project. The inclusion of women in the activities including seminars, trainings and focus groups will be a very important element during the implementation of the project.

MINORITIES AND VULNERABLE GROUPS

For the first component most of the unfavorable work conditions in place, affect more negatively vulnerable groups that are relegated to the fringe of society and shunned from opportunities and resources. Social and economic exclusion of vulnerable groups from Kosovo's mainstream society is multidimensional, with material deprivation being at the bulk of ensuing poverty, emotional and psychological trauma. But, with the alignment of labour laws and sub-laws with EU legislation, which we intend to do through our 2nd action, disabled individuals and minorities will access the labour market more easily and will integrate in the social and economic life of the country. The project will take a pro-active approach to offering equal opportunities for everyone involved in the project. The inclusion of women in the activities including seminars, trainings and focus groups will be a very important element during the implementation of the project.

For the second and third components during the implementation of the activities of the projects, a special focus will be given to offering equal opportunities for everyone, including minority groups involved in the public sector as well as in the private service sector. The aim will be to contribute to multi-ethnic representation in the institutions benefiting from this projects, which will address the ethnic groups fairly and equitably in accordance with the law, along with other marginalised groups.

6. SUSTAINABILITY

Harmonisation of Kosovo legislation in the field of working conditions with EU legislation

Policy level sustainability is crucial to the proposed Action's design. The laws, policies and regulations in the field of working conditions adopted by relevant institutions will remain in place after the Action elapses. Such action will serve as a means to provide authorities at the local and national level with useful elements to improve other similar initiatives legislatively and/or from the methodological point of view.

After working with a variety of target groups, the model will aim to demonstrate that it is a replicable model for other national legislation alignment with EU *Acquis Communautaire*.

Institutional and technical sustainability is also central to our Action. We have designed a whole set of activities, which pertain to improvement of the capacity of Labour Inspectorate and its organisational set-up. The project's staff will transfer its know-how to the civil servants on monitoring, enforcement and implementation of laws and regulations in the field of working conditions more efficiently. Through the Training-of-Trainers program, civil servants from the beneficiary institutions will be enabled to pass on the expertise gained from this project to other personnel even on a continuous basis.

Financial sustainability will be ensured through the transposition of EU regulations into the national legislation. Adoption of the aforementioned directives and sub-legal acts, will increase efficiency in the workplace and decrease waste of resources, particularly in cases of accidents at work. In addition, the project will set up proper channels of communication between relevant stakeholders, which will prevent overlapping of activities and unnecessary spending of resources.

Assistance for implementing the Stabilisation Association Agreement

The proposed project activities are well integrated into the Government's Vision for the economic development of Kosovo, and corresponding strategic documents related to trade policy and SME development. The Ministry of Trade and Industry is the main Government body responsible for the

implementation of strategies related to private sector development in Kosovo, and it is under its ownership that the implementation processes will be sustainable and viable. In addition, MTI is the leading institutions for implementing the SAA outcomes with service liberalization being one of them. On a project level, the degree of sustainability will also depend on the project's ability to adequately service the needs of the ultimate beneficiary of the interventions – the supply of services in Kosovo.

Support Measures and Technical Assistance Facility, and Preparation of a single project pipeline

Not applicable as the individual measures to be financed under this project cannot be identified yet, nevertheless this type of assistance has proved to be extremely useful for the sustainability of the overall EU assistance to Kosovo especially as the interest and ownership of MEI for these types of activities is increasing continuously.

7. COMMUNICATION AND VISIBILITY

Communication and visibility will be given high importance during the implementation of the Action.

The implementation of the communication activities shall be the responsibility of the final beneficiary, and shall be funded from the amounts allocated to the Action.

The European Union Office in Kosovo has developed clear visibility guidelines and ensures that all projects which are implemented in Kosovo are fully in line with these guidelines. Project visibility is also clearly stipulated in all contractual documents whereby the contractors/implementers are obliged to adhere to all EU visibility requirements.

All necessary measures will be taken to publicise the fact that the Action has received funding from the EU in line with the guidelines developed by the EU Office in Kosovo, as well as the provisions outlined in the Communication and Visibility Manual for EU External actions.

Visibility and communication actions shall demonstrate how the intervention contributes to the agreed programme objectives and the accession process. Actions shall be aimed at strengthening general public awareness and support of interventions financed and the objectives pursued. The actions shall aim at highlighting to the relevant target audiences the added value and impact of the EU's interventions. Visibility actions should also promote transparency and accountability on the use of funds.

It is the responsibility of the beneficiary to keep the EU Office fully informed of the planning and implementation of the specific visibility and communication activities.

The beneficiary shall report on its visibility and communication actions in the report submitted to the IPA monitoring committee and the sectorial monitoring committees.

