



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

No. 02/36
Date: 19/10/2020

Pursuant to Article 92, Paragraph 4. and Article 93, Paragraph (4), of the Constitution of the Republic of Kosovo, based on Article 4 of the Regulation No. 06/2020 on Areas of Administrative Responsibility of the Office of the Prime Minister and Ministries, amended by the Regulation No. 07/2020, in accordance with Article 19 of the Rules of Procedure of the Government of the Republic of Kosovo, No. 09/2011, the Government of the Republic of Kosovo, in its session held on 7 October 2020, adopted the following:

D E C I S I O N

1. Priorities of the second phase of implementation of the European Reform Agenda (ERA 2), agreed with the European Commission and launched by the Prime Minister and the European Union Commissioner for the European Neighbourhood and Enlargement Policy on 8 October 2020, in Prishtina, are hereby approved. These priorities serve to implement obligations of the Stabilisation and Association Agreement between the European Union and the Republic of Kosovo.
2. The Office of the Prime Minister is hereby obliged to coordinate drafting of a two-year action plan, covering the period from 1 January 2021 to 31 December 2022, for implementation of ERA 2 priorities, and submit it to the Government for approval during 2020.
3. The Office of the Prime Minister is hereby obliged to consult the European Commission and civil society in the process of drafting of the Action Plan.
4. All institutions of the Government of the Republic of Kosovo involved in drafting of this plan are hereby obliged to take all necessary measures for the action plan to be aligned with all relevant documents.
5. The present decision enters into force on the day of adoption by the Government of the Republic of Kosovo.

Avdullah HOTI

[signed]
Prime Minister of the Republic of Kosovo

Submitted to:

- Deputy Prime Ministers
- All ministries (ministers)
- General Secretary of the OPM
- Government archive



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Në mbështetje të nenit 92 paragrafi 4. dhe të nenit 93 paragrafi (4) të Kushtetutës së Republikës së Kosovës, duke u bazuar në nenin 4 të Rregullores Nr.06/2020 për Fushat e Përgjegjësisë Administrative të Zyrës së Kryeministrit dhe Ministrive, e ndryshuar dhe e plotësuar me Rregulloren Nr. 07/2020, në pajtim me nenin 19 të Rregullores së Punës së Qeverisë së Republikës së Kosovës Nr. 09/2011, Qeveria e Republikës së Kosovës, në mbledhjen e mbajtur më 19 tetor 2020, merr këtë:

V E N D I M

1. Miratohen prioritetet e fazës së dytë për zbatimin e Agjendës për Reforma Evropiane (ERA 2), të dakorduara me Komisionin Evropian dhe të lansuar nga Kryeministri dhe Komisioneri i Bashkimit Evropian për Politika të Fqinjësisë dhe Zgjerimit më 8 tetor 2020, në Prishtinë. Këto prioritete shërbejnë për zbatimin e obligimeve të Marrëveshjes së Stabilizim-Asociimit ndërmjet Bashkimit Evropian dhe Republikës së Kosovës.
2. Obligohet Zyra e Kryeministrit të koordinojë hartimin e një plani dyvjeçar të veprimit, për periudhën 1 janar 2021 - 31 dhjetor 2022, për zbatimin e prioritetëve të ERA 2, dhe ta dorëzojë atë për miratim në Qeveri brenda vitit 2020.
3. Obligohet Zyra e Kryeministrit që gjatë procesit të hartimit të Planit të Veprimit të kryejë edhe konsultime me Komisionin Evropian dhe Shoqërinë Civile.
4. Obligohen të gjitha institucionet e Qeverisë së Republikës së Kosovës të përfshira në hartimin e këtij Plani që të ndërmarrin të gjitha masat e nevojshme që Plani i veprimit të jetë i ndërlidhur me të gjitha dokumentet relevante.
5. Vendimi hyn në fuqi ditën e publikimit në Gazetën Zyrtare të Republikës së Kosovës.

Avdullah HOTI

Kryeministër i Republikës së Kosovës

Iu dërgohet:

- Zëvendëskryeministrave
- të gjitha ministrive (ministrave)
- Sekretarit të Përgjithshëm të ZKM-ës
- Arkivit të Qeverisë

Kosovo - European Reform Agenda (ERA) 2

Introduction

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

In order to **prioritise the reforms expected as part of the SAA implementation**, Kosovo and the EU have set up in 2016 the European Reform Agenda (ERA) process. Since 2016, the ERA has become the key guidance tool for Kosovo institutions on EU-related reforms.

A **first phase of the ERA (ERA1)** was agreed in November 2016. Since then, Kosovo has made some real progress in the intervening time on delivering on the reform commitments undertaken. It introduced a three pillar focus on i) Good Governance and Rule of Law, ii) Competitiveness and Investment, and iii) Education and Employment.

Kosovo and the EU have now agreed to launch a **second phase of ERA (ERA2)**, which builds on the reforms and progress undertaken to date. This new agenda of priority reforms retains the three pillar approach, which has proven very relevant, while also reflecting the evolving context and priorities. In particular, in the context of the **COVID-19** pandemic, ERA2 includes priorities related to the mitigation of the economic and social impact of the crisis, as well as a new focus on the health sector. Likewise, ERA2 puts additional focus on reform areas related to the European Commission's **Economic and Investment Plan** adopted on 6 October, such as the **green transition**. In the **rule of law** pillar, there is a new focus on electoral reform process, fundamental and human rights, and home affairs.

Finally, ERA2 priorities are fully consistent with recommendations contained in the European Commission's **2020 Kosovo report** and with the **2020 Joint Conclusions of the Economic and Financial Dialogue** between the EU and the Western Balkans and Turkey.

A key emphasis of this second phase of ERA will be on the **implementation and enforcement of legislation and reforms** enacted under the first phase of ERA in order to ensure a real difference for citizens, businesses and investors.

Next steps: on the basis of the priorities presented in this document, the Kosovo government – in close consultation with the EU and with the input from civil society – will prepare a 2-year ERA Action Plan for 2021-2022. This Action Plan will set out in detail and with clear timelines specific, realistic, measurable and achievable actions to turn the ambitious priorities into a reality. This work has already commenced and shall be finalised with a view to seeking the endorsement of the Kosovo Assembly by the end of 2020.

The **Kosovo Assembly** has an important role to play in monitoring and implementation of the ERA2 priorities and needs to be closely associated to the process of preparation of the ERA2 Action Plan.

Similarly, **civil society** engagement is crucial for the preparation and implementation of the ERA2 action plan and for the monitoring of the implementation of ERA2 priorities. To this end, joint and public consultations shall be organised with civil society ahead of the finalisation of the action plan. Throughout its implementation timeline, regular and structured monitoring consultations with civil society shall be organised.

A **firm commitment by Kosovo's political leaders to these reforms** is needed, reforms that will deliver real opportunities for all of society. The fulfilment of priority actions will assist in implementing the SAA and advancing Kosovo on its European path. The implementation of ERA2 will be reviewed annually.

Kosovo - European Reform Agenda (ERA) 2

<i>Pillar I - Good Governance and the Rule of Law</i>	<i>Pillar II - Competitiveness, Investment and Sustainable Development</i>	<i>Pillar III - Employment, Education and Health</i>
<p>1.1. Enhance the fight against organized crime and corruption, and implement key reforms in areas of judiciary and home affairs:</p> <p>1.2. Further strengthen performance in implementation of public administration reform, building on the new framework legislation in place</p> <p>1.3. Improve enforcement of fundamental rights and freedoms</p> <p>1.4. Further strengthen electoral processes</p>	<p>2.1. Improve the internal market and the capacity to support investment, private sector and SMEs:</p> <p>2.2. Work towards meeting energy efficiency and renewable energy targets</p> <p>2.3. Tackle priority environmental challenges</p> <p>2.4. Further strengthen implementation of public financial management and public procurement reforms</p> <p>2.5. Further strengthen competition and state aid institutions</p> <p>2.6. Continue efforts to tackle the informal economy</p>	<p>3.1. Implement post-COVID-19 targeted social and economic recovery measures</p> <p>3.2. Increase overall employment and welfare</p> <p>3.3. Improve health and safety at work</p> <p>3.4. Improve Kosovo's education system</p> <p>3.5. Strengthen key health system functions</p>

European Reform Agenda (ERA) 2

Priorities

Priorities	Responsible institutions
I. Good Governance and the Rule of Law	
<p>1.1. Enhance the fight against organized crime and corruption, and implement key reforms in areas of judiciary and home affairs</p> <p>a. Step up the work on cases of high-level corruption and organised crime, thereby building a robust universal track record of proactive investigation, prosecution, final convictions and final confiscations of criminal assets, paying particular attention to cases transferred by EULEX;</p> <p>b. Ensure mitigating measures for the impact of the COVID-19 pandemic on the holding of court hearings in criminal trials.</p> <p>c. Step up the fight against organised crime, through increasing bilateral cooperation with EU Member States (including the use of Joint Investigative Teams), by combating money laundering, and trafficking in human beings and firearms.</p> <p>d. Improve further the framework in the areas of migration and asylum in line with international and European standards.</p> <p>e. Continue the progress in the area of counter-terrorism as well as in preventing and countering violent extremism, in line the EU-Kosovo implementing arrangement for the EU-Western Balkans Joint Action Plan on Counter-Terrorism;</p> <p>f. Fully implementing the revised legislative framework tackling high-level corruption and organised crime: the Criminal Code, Law on Extended Powers for Confiscation of Assets Acquired by Criminal Offense, as well as on corruption prevention (Law on the Prevention of the Conflict of Interest and the Law on the Protection of Whistle-blowers)</p> <p>g. Adopt the outstanding legislation on tackling high-level corruption and organised crime in line with relevant Venice Commission opinions: revised Criminal Procedure Code, revised political party financing legislation, prevention of corruption (Law on the Anticorruption Agency, Law on declaration of assets)</p> <p>h. Adopt and implement a Rule of Law sector strategy and action plan focusing on strengthening the judiciary, prosecution, police and Anti-Corruption Agency, based on the functional review of the rule of law sector and a consultative process.</p> <p>i. Ensure the right to trial within reasonable time to address delays in court proceedings, in line with the recommendations of the peer review report organised crime and corruption conducted in November 2019.</p> <p>j. Further improve the legal framework in areas of notary and bankruptcy by adopting the necessary legislation. Enhance implementation of legislation in the areas of enforcement procedure and mediation, notary and bankruptcy.</p>	<p>Assembly</p> <p>OPM</p> <p>MoJ</p> <p>ACA</p> <p>MIA</p> <p>MoF</p> <p>KIA</p> <p>KJC</p> <p>KPC</p> <p>SPRK</p> <p>CRA</p>

<p>1.2. Further strengthen performance in implementation of public administration reform, building on the new framework legislation in place</p> <p>a. Implement the new PAR framework legislation, covering the public officials and the organisation of state administration, including by developing the relevant subsidiary legislation, as needed;</p> <p>b. Further improve the process of appointments and dismissals of senior public officials, as required by law, and in line with principles of transparent, merit-based and non-political selection and take first steps to introduce performance management and increased managerial accountability in the civil service.</p> <p>c. Take concrete steps to improve governance and efficiency of public-owned enterprises, including by ensuring merit-based and depoliticized appointments at all levels, particularly for Boards of Directors.</p> <p>d. Continue the process of rationalisation of independent institutions and agencies.</p> <p>e. Align legislation with Law on General Administrative Procedures as well as focus on reducing the administration burden through comprehensive measures, including legislative and IT-related.</p>	<p>MIA OPM Assembly MoF MEE</p>
<p>1.3. Improve enforcement of fundamental rights and freedoms</p> <p>a. Take concrete steps to strengthen the coordinating role on implementing human rights legislation within the Prime Minister's Office.</p> <p>b. Ensure on the enforcement of judicial verdicts in particular on property rights, including those of the Constitutional Court;</p> <p>c. Advance the protection of cultural heritage by fully implementing and enforcing legislation addressing illegal construction. Adopt the Laws on Cultural Heritage and Religious Freedom and ensure the active functioning of the Implementation and Monitoring Council;</p> <p>d. Improve the overall effectiveness of the Civil Registration Agency, including its services to vulnerable and minority communities</p> <p>e. Improve gender equality and the effective protection of children's rights. Improve the response to domestic violence, sexual harassment and other gender-based offences.</p> <p>f. Ensure independent editorial and financial functioning of the public broadcaster and adoption and implementation of media related policies/laws, in line with the standards of freedom of expression and freedom of media. Ensure proper protection of journalists to exercise their profession freely.</p>	<p>OPM KPCVA MoJ MIA KJC KPC MCR MEE MCYS Constitutional Court IMC MCC CRA</p>
<p>1.4. Further strengthen electoral processes</p> <p>a. Implement recommendations of EU electoral observation missions.</p> <p>b. Adopt and enforce of the new legislation on financing of political entities, in line with the Venice Commission opinion.</p>	<p>OPM Assembly CEC ACA</p>

II. Competitiveness, Investment and Sustainable Development	
<p>2.1. Improve the internal market and the capacity to support investment, private sector and MSMEs</p> <p>Promote foreign direct investments</p> <p>a. Significantly strengthen the capacity of the Kosovo Investment Enterprise Agency (KIESA) to improve its performance for promotion and support to investment, private sector and SME development;</p> <p>b. Create an investor aftercare program for potential and present investors in Kosovo and an investors' grievance mechanism having sufficient competences to provide such services;</p> <p>Improve the business environment</p> <p>c. Improve the management, coordination and enforcement of market surveillance; Focus on concrete measures to improve quality infrastructure and standards;</p> <p>d. Implement the administrative burden reduction programme to improve the business environment in the short and medium-term, in particular through increased digitalisation and the simplification, merging and abolishment of licences and permits;</p> <p>e. Ensure an effective inspection system, with a view to enhancing effective implementation and enforcement;</p> <p>f. Ensure efficient processing of commercial cases and effective contract enforcement and dispute resolution at low cost.</p>	<p>MTI OPM</p>
<p>2.2. Work towards meeting energy efficiency and renewable energy targets</p> <p>a. Take concrete steps on energy efficiency and enhancing energy efficiency in the private sector and expanding incentives to households;</p> <p>b. Focus on policy and legislative measures to support Kosovo's renewable energy objectives, aligned with the Green Deal objectives, taking steps towards decarbonisation and sustainable and clean energy production.</p>	<p>MEE</p>
<p>2.3. Tackle priority environmental challenges</p> <p>Reflect Green Deal objectives in implementing policies in the area of environment, focusing on:</p> <p>a. reducing air and water pollution and improve waste management;</p> <p>b. take concrete measures in biodiversity protection, particularly in national parks.</p>	<p>MEE MTI</p>
<p>2.4. Further strengthen implementation of public financial management and public procurement reforms</p> <p>a. Implement all Public Financial Management (PFM) reforms, including those related to public procurement, as foreseen by the EU supported PFM Reform Strategy.</p> <p>b. Further align public procurement with EU standards, including by increasing transparency and information in open data format.</p>	<p>MoF PPRC</p>
<p>2.5. Further strengthen Competition and state aid institutions</p> <p>a. Ensure the functional capacity and operational independence of the competition and State aid authorities and increase cooperation and</p>	<p>KCA MoF</p>

<p>coordination between all stakeholders including ministries, state regulators and the judiciary.</p> <p>b. Take concrete steps to identify and address monopoly and cartel situations.</p> <p>c. Fulfil SAA obligations by establishing a comprehensive inventory of aid schemes and by aligning these with State aid rules.</p>	SA Commission
<p>2.6. Continue efforts to tackle the informal economy:</p> <p>a. Systematically implement the revised strategy and action plan against informal economy.</p> <p>b. Continue the fight against undeclared work, which affects women in higher percentage, focusing on formal employment, working conditions and preventive measures; as well as improve coordination between institutions responsible for prevention and suppression of undeclared work.</p>	MoF Employment Agency, Labour inspectorate
III. Employment, Education and Health	
<p>3.1. Implement post-COVID-19 targeted social and economic recovery measures¹</p> <p>a. Establish a well-targeted, effective and transparent mechanism, to support the private sector and employees affected by the crisis, in particular micro, small and medium-sized enterprises and self-employed workers with a view to mitigating the economic consequences of the Covid-19 pandemic and stimulate economic recovery.</p> <p>b. Take active employment measures to preserve labour rates including through short-time work schemes and upgrade the capacity of the Employment Agency to ensure an increased provision of active labour market measures.</p> <p>c. Ensure increased coverage of needs-based social benefits for the groups most affected by the Covid-19 crisis.</p>	OPM MTI MLSW Employment Agency Labour Inspectorate
<p>3.2. Increase overall employment and welfare</p> <p>a. Decrease youth unemployment: Implement the Youth Employment Action Plan taking into account the impact of pandemic.</p> <p>b. Meet the 2020 targets identified in the Sectorial Strategy for increasing employment, labour rights, and improvement of social welfare, encouraging the inclusion of women, minorities and people with disabilities.</p>	MLSW Employment Agency Labour Inspectorate
<p>3.3. Improve health and safety at work</p> <p>a. Improve enforcement of existing legislation on health and safety at work to ensure better protection of workers from accidents and diseases at work. Draft and adopt the Occupational Health and Safety Manual.</p> <p>b. Based on prior sector risk assessment, increase the number of inspections as well as improve the implementation of follow up measures.</p>	MLSW Employment Agency Labour Inspectorate
<p>3.4. Improve Kosovo's education system</p> <p>Improve the overall quality in the education sector:</p> <p>a. Ensure systematic implementation of all quality assurance mechanisms at all education level by increasing capacities of education inspectors, strengthening</p>	MES Kosovo Accreditation Agency

¹ This is a cross-cutting priority and is relevant to the two other pillars, as the ERA action plan is implemented.

<p>roles of quality coordinators and building monitoring capacities in the Kosovo Accreditation Agency;</p> <p>b. Establish an institutional and sustainable form of teacher training and professional development;</p> <p>c. Finalise the new core curricula in VET and provide teaching staff trainings for its implementation;</p> <p>d. Provide basis for reform and quality assurance in higher education by adopting the law on Higher Education and the Law on Agency for Accreditation, in line with the EU/Council of Europe recommendations;</p> <p>Ensure transparent governance of education institutions:</p> <p>e. Strengthen the capacities of Ministry of Education and Science for an effective implementation of reforms.;</p> <p>f. Ensure transparency and merit-based gender sensitive recruitment of teaching and managing staff of education institutions at all levels.</p> <p>Increase access to education</p> <p>g. Increase access to education for children including for those with special needs, children from community minorities and women.</p>	
<p>3.5. Strengthen key health system functions</p> <p>a. Strengthen Kosovo's ability to detect, assess and respond to public health events, based on the lessons from the COVID-19 response and taking into account the recent ECDC assessment of Kosovo's capacities in the area of communicable disease surveillance, prevention and control.</p> <p>b. Conduct an assessment to identify priority actions for the purpose of drafting the new Health sectorial strategy and to strengthen the health system</p> <p>c. Create the necessary preconditions for the implementation of the general health insurance policy</p>	MoH