

Summary of the Development towards the Strategy Results and the Implementation of the Contribution Portfolio

Overall Assessment of the Development towards the Strategy Results and Implementation of the Contribution Portfolio				
Year		2014	2015	2016
Overall Assessment of:				
Assessment of the development towards the strategy results*				
Assessment of implementation of contribution portfolio**				
Overview: Assessment of the Development towards the Strategy Results and Implementation of the Contribution Portfolio <i>per result</i>				
1. Enhanced economic integration with the EU and development of market economy		2014	2015	2016
Result 1: Enhanced capacity among institutions to continue economic integration with the EU.	Assessment of the development towards the strategy results			
	Assessment of implementation of contribution portfolio			
Result 2: Competitive small and medium-sized enterprises make up a greater share of the economy.	Assessment of the development towards the strategy results			
	Assessment of implementation of contribution portfolio			

2. Strengthened democracy, greater respect for human rights and a more fully developed state under the rule of law <i>a. Focusing on strengthened public administration and judicial systems</i>		2014	2015	2016
Result 3: More efficient public administration, with stronger administrative capacity to implement reforms for EU-integration.	Assessment of the development towards the strategy results			
	Assessment of implementation of contribution portfolio			
Result 4: Delivery of higher quality public services, based on principles of non-discrimination and equal rights and with less corruption.	Assessment of the development towards the strategy results			
	Assessment of implementation of contribution portfolio			
Result 5: More efficient judicial systems that to a greater extent guarantee the right to fair trial in accordance with European standards.	Assessment of the development towards the strategy results			
	Assessment of implementation of contribution portfolio			
Result 6: A reduction in gender-based violence, hate crimes and human trafficking.	Assessment of the development towards the strategy results			
	Assessment of implementation of contribution portfolio			
Result 7: More democratic and effective police forces.	Assessment of the development towards the strategy results			
	Assessment of implementation of contribution portfolio			
<i>b. Focusing on increased enjoyment of human rights and greater opportunities to exercise democratic influence</i>		2014	2015	2016
Result 8: A more pluralistic civil society, including political parties, with strengthened popular support.	Assessment of the development towards the strategy results			
	Assessment of implementation of contribution portfolio			
Result 9: Improved conditions for democratic accountability to the people and participation in political processes, including the promotion of free elections.	Assessment of the development towards the strategy results			
	Assessment of implementation of contribution portfolio			
Result 10: Freer and more independent media.	Assessment of the development towards the strategy results			
	Assessment of implementation of contribution portfolio			

Result 11: Partner countries better fulfil their international and national commitments on human rights, gender equality (including the EU's strategy for equality between women and men) and non-discrimination. Result 12: Women and men have, to a greater extent, the same power to shape society and their own lives. Result 13: Increased trust and reconciliation between parties in and between countries.	Assessment of the development towards the strategy results			
	Assessment of implementation of contribution portfolio			
	Assessment of the development towards the strategy results			
	Assessment of implementation of contribution portfolio			
	Assessment of the development towards the strategy results			
	Assessment of implementation of contribution portfolio			
3. A better environment, reduced climate impact and enhanced resilience to environmental impact and climate change		2014	2015	2016
Result 14: Partner countries increase compliance with EU regulations and international agreements on the environment, climate and energy. Result 15: Enhanced environmental responsibility among the general public, the business sector and civil society. Result 16: More sustainable public services in areas such as water and sewage, waste management, energy efficiency and renewable energy.	Assessment of the development towards the strategy results			
	Assessment of implementation of contribution portfolio			
	Assessment of the development towards the strategy results			
	Assessment of implementation of contribution portfolio			
	Assessment of the development towards the strategy results			
	Assessment of implementation of contribution portfolio			

Summary of Conclusions and Recommendations for the Remaining part of the Strategy Period

Even if Kosovo is facing many challenges to reach the results of the strategy, the contribution portfolio is well-balanced and is being implemented according to plan.

Adjustments of the portfolio have been done since 2014, closing down some projects and initiating others in accordance with the strategy and with the needs and priorities of Kosovo. Most of the contributions are long-term and the conclusion is that, in principle, the present portfolio should continue until the end of the strategy period.

Sida will follow up on results from recent portfolio analysis in the area of gender equality, environment and climate change respectively. Sida will furthermore seek to strengthen the integration

of a conflict perspective and challenges of radicalization and violent extremism into the portfolio during the remaining strategy period, to ensure that existing and upcoming contributions consider and/or mainstream these perspectives and risks. Sweden should also continue to strengthen the focus on youth in an innovative way, for example through sports, culture and job opportunities. The links between environment/climate change and economic development could be strengthened in the area of green economy.

Sida will also operationalize the recommendations of the recent poverty analysis, thus ensuring that a poverty perspective - as well as the rights perspective - is central to the continued implementation of the strategy.

1. Context Analysis

The elections in June 2014 led to complicated political negotiations in order to form a government, and first in the beginning of 2015 a new government was in place. A complex coalition formed the new government which has led to a situation with internal tensions within the government and a lack of capacity to make decisions. The parliament has been in crisis and almost non-functional during 2015 and 2016. Even if the signing of the Stabilization and Association Agreement (SAA) with the EU is an important achievement for the government, the overall picture for these two first years of government has included mass migration in the beginning of 2015 and several occasions of protests on the streets, and repeated conflicts in the parliament. The important issue of visa liberalization has still not been solved and generates continued frustration among the population.

The lack of implementation of rule of law and the widespread corruption constitute root causes to the key development problems in Kosovo. There have been several high-level corruption cases, the latest one in summer 2016 when leaked wiretapped phone conversations from 2011 revealed that central members of one of the political parties used their power for personal gain and exercised undue influence in the appointment of key positions in publicly owned enterprises.¹ Still, the convictions are few and corruption investigations continue to be hampered by political influence.² Political policies such as the *war pension scheme* serve interest groups formed during the armed resistance in the 1990s. Consequences of the skew power relations are aggravated by de facto limitations of the press freedom. During the last few years the political environment has been marked by polarization between the government and the opposition, centred around a border demarcation agreement with Montenegro and an agreement on an Association of Serb majority municipalities, reached as part of the dialogue on normalisation of relations between Kosovo and Serbia. The polarisation has slowed down the reform pace and has had a negative impact on the democratic legislative procedures.³

The limited mechanisms for consultations with, and involvement of, citizens in decision-making further exasperate the democratic deficit.⁴ Although minimum standards of public consultations have been adopted the implementation remains a challenge. Civil society has been strengthened over the past decade, however organisations are still largely dependent on donor financing and tend to have a “professional” set-up rather than being based on membership and/or volunteerism.

The state-building process is negatively impacted by the unresolved conflict with Serbia and by Kosovo’s internationally contested statehood. Kosovo is in different ways blocked from international institutions which effect the economic development. For example, the ambitious efforts in the process

¹ Kosovo 2.0 2016 <http://kosovotwopointzero.com/en/view-kosovo-politics-2016/>

² World Bank 2013b

³ European Commission 2016

⁴ ORGUT 2014

of member application to UNESCO finally failed due to active Serbian negative influence. The last year membership in UEFA and FIFA, a well-received message for the Kosovo football, was an important consolation for Kosovo that was celebrated on the streets. The lack of reconciliation is also evident in the high degree of segregation between Kosovo Albanians and Kosovo Serbs. According to survey data, a majority of Serbs and Albanians do not want to live in the same street as the other group.⁵ The lack of reliable information and objective media reporting in both Serbian and Albanian languages reinforces the division and distrust between the communities.

Kosovo is at an early stage in developing a functioning market economy. Some progress has been made, particularly in support of export-oriented businesses, improving contract enforcement and access to finance.⁶ Kosovo's economy has been performing well and the estimates show that GDP grew by 3.8 % in 2016 based on mainly strong remittances, private consumption and ongoing large infrastructure projects.⁷ The productive base is narrow, which in combination with a low competitiveness in producing import substitutes entails that Kosovo has a large negative trade balance.⁸

Reliance on remittances and the widespread informal economy additionally decrease employment incentives. The labour force participation is low, especially among women, and there are high unemployment rates in particular among young and unskilled workers.⁹

Kosovo faces serious environmental challenges related to air, water and soil pollution, threatened biodiversity and deforestation. A number of problems are inherited from the socialist industrial mining era, when environmental protection was not a consideration. Issues related to the high unemployment and demand for economic development overshadows policies relating to environment sustainability and climate-change resilience. Since Kosovo is not a member of the UN it does not partake in international initiatives on climate and environment protection.

The *energy sector* is estimated to have the greatest impact on the environment.¹⁰ Lignite coal is constitutes the largest share of primary energy (63% of total use) while renewable energy sources represent about 10%. The air pollution remains one of the highest health risk factors, contributing to the increase of cardiopulmonary and lung cancer mortality. The Roma, Ashkalia and Egyptian (RAE) community living nearby the main power plant is directly affected by the emissions and coal ash. RAE communities also live off the landfills by illegally collecting recyclable waste and are exposed to waste hazards such as for example chlorinated pesticides and heavy metals.¹¹

The *cost of environmental degradation* was estimated at 7.8% of GDP in 2010 (€ 233 million), due to unsustainable water management and agronomic practices, deforestation, destruction of slopes by mining activities etc.¹² The quality of water resources is poor, with a majority of rivers being badly polluted by mines, tailing areas, municipal dumps and sewers from the bigger cities.

Climate variability has already increased in the region. Higher temperatures are expected to increase the probability of heat waves and forest fires. Forest fires in Kosovo have already increased since year 2000. Kosovo is categorised as a water stress country with a heightened risk for drought.¹³

⁵ OSCE 2010

⁶ European Commission, Brussels, 9.11.2016 SWD (2016), 363 final Commission staff working document Kosovo* 2016

⁷ Document of International Monetary Fund and for official use only buff/ed./17/24 March 8, 2017

⁸ Government of Kosovo 2016

⁹ European Commission Brussels, 9.11.2016 SWD(2016) 363 final Commission staff working document Kosovo* 2016

¹⁰ Kosovo Ministry of Economic Development 2013

¹¹ Kosovo Ministry of Environment and Spatial Planning 2015

¹² World Bank 2013

¹³ Water Stress by Country, <http://www.wri.org/resources/charts-graphs/water-stress-country>

2. Swedish Priorities for Development Cooperation

The positive driver of the transition to market economy, the economic development and the democratic reform agenda is the prospect of EU-integration. This is the key issue both when it comes to future economic opportunities for a very young population, but also shared values on human rights, democracy and gender equality. There is still a lack of democratic culture in the transition from the previous socialist system and Kosovo is still in a post-conflict, peace and state building process as a newborn country less than 10 years old. The population still have very high trust in EU, U.S.A. and NATO, but delays in EU-integration and visa liberalization might entail that people will become more sceptic and this is a challenge for EU's credibility.

Gender equality and the rights perspective are strongly emphasized in all implementation of contributions. The conflict perspective has been strengthened during the last year with increased involvement in the challenging post-conflict situation in northern Kosovo. All perspectives are interlinked in analysis, approach, partnerships, contribution management, dialogue and field visits. The Embassy has carried out a multi-dimensional poverty analysis (Annex 1) as well as a multi-dimensional poverty mapping (Annex 2-3).

3. Financial allocation

Use of country allocation				
Total amount for the strategy, in MSEK	n/a per financing code			
Disbursed amount total, in MSEK	n/a per financing code			
Undisbursed amount (of total), in MSEK	n/a per financing code			
Disbursed amount per area of support and year	2014	2015	2016	Total
1. Enhanced economic integration with the EU and development of market economy	7	17,2	8,8	33
2a. Strengthened democracy, greater respect for human right and a more fully developed state under the rule of law - <i>Focusing on strengthened public administration and judicial systems</i>	36,1	24,9	26,9	87,9
2b. Strengthened democracy, greater respect for human right and a more fully developed state under the rule of law - <i>Focusing on increased enjoyment of human rights and greater opportunities to exercise democratic influence</i>	29,4	26,5	26,8	82,7
3. A better environment, reduced climate impact and enhanced resilience to environmental impact and climate change	13,2	8,9	11,6	33,7
Total disbursements	85,7	77,5	74,1	237,3
Non-committed amount, in MSEK	n/a per financing code			
Agreed amount in total, in MSEK	n/a per financing code			
Agreed amount per area of support and year (MSEK)	2017	2018	2019	Total
1. Enhanced economic integration with the EU and development of market economy	4,5	6,2	0,6	11,3
2a. Strengthened democracy, greater respect for human right and a more fully developed state under the rule of law - <i>Focusing on strengthened public administration and judicial systems</i>	25,1	10,2	7,7	43
2b. Strengthened democracy, greater respect for human right and a more fully developed state under the rule of law - <i>Increased enjoyment of human rights and greater opportunities to exercise democratic influence</i>	30,3	22,2	10,8	63,3
3. A better environment, reduced climate impact and enhanced resilience to environmental impact and climate change	19,2	16	8,5	43,7

4. Assessment of Development towards the Strategy Results and the Implementation of the Contribution Portfolio

4.1 Overall assessment of Development towards the Strategy Results and Implementation of the Contribution Portfolio

Overall Assessment of Developments towards the Strategy Results and Implementation of Contribution Portfolio			
Year	2014	2015	2016
Overall Assessment of:			
Developments toward the strategy results			
Implementation of contribution portfolio			

4.2 Result area 1: Enhanced economic integration with the EU and development of market economy

R1: Enhanced capacity among institutions to continue economic integration with the EU

In accordance with the Operational Plan for Kosovo 2014-2017, the result R1 has not been prioritized. The economic integration with the EU is well covered by EU and others. The Swedish regional contribution in favour of Quality Infrastructure in the Western Balkans¹⁴ is relevant for this result.

R2: Competitive small and medium-sized enterprises make up a greater share of the economy

Year		2014		2015		2016	
Assessment of:							
Developments toward the strategy results							
Implementation of contribution portfolio							
Indicators	Baseline 2013	Actual value 2014	Actual value 2015	Actual value 2016	Target 2020		
Real GDP growth (%)	3.4	1.2	3.9	3.6	n/a		
Trade balance (% of GDP)	- 31.6	- 31.0	- 30.3	- 31.6	n/a		
Ease of Doing Business ¹⁵	86	75	66	60	n/a		

Analysis of development in Kosovo (R2)

According to the European Commission Progress Country Report 2016, some progress in SME policy was made in Kosovo with the creation of a credit guarantee scheme to support SMEs. The EC report

¹⁴ The regional project *Quality Infrastructure in the Western Balkans 2016-2020*. The Ministry of Economy in Kosovo has a representative in the steering group. The project is aiming at development of common standards, removal of technical barriers to trade, and accreditation of certification bodies to ensure the smooth functioning of the EU Internal Market.

¹⁵ World Bank. Doing Business Economy Rankings (<http://www.doingbusiness.org/rankings>). Ranking of approx. 190 countries.

emphasizes the recommendations from the assessment of the EU's 'Small Business Act' and the importance to reduce the administrative burden on SMEs.

A recent survey conducted by the Kosovo Chamber of Commerce on the business climate concludes that the three main obstacles encountered by the Kosovo SMEs are "Unfair competition by the grey economy" (43%), "High interest rates" (42%), and "Insufficient demand" (34%).¹⁶ The informal sector is generally perceived to be large, but there is little data on its size and character. Estimates indicate that business tax evasion could be 35-40% and that 37% of the employees in registered businesses are not legally declared. The agricultural sector is assessed to have the largest degree of informality, followed by manufacturing and processing.¹⁷

The low level of implementation of Rule of Law, including the non-functioning court system, constitutes a root cause to the tax evasion, informality, corruption and organised crime. 62% of Kosovo businesses do not trust the judiciary at all.¹⁸ The courts lack the expertise to handle more complicated economic cases and there is no special court to handle cases relating to intellectual property rights.¹⁹

The industrial base is generally assessed to be too small, apart from the production of metals and mineral products. SMEs engaged in sectors such as wood and food processing, renewable energy products, fabricated metal products and apparel production show a growth potential.

The ICT sector is seen as a potential growth sector, given the regionally competitive wages, the adequate IT infrastructure, a potential for increased outsourcing demand and the high number of young people entering the labour force each year.²⁰ Kosovo is also assessed to have a competitive potential in agriculture, but hindered by unfavourable farm structures, outdated technologies, limited access to credit and other factors. In addition, the sector is harmed by agricultural subsidies amongst Kosovo's trading partners, including the EU.²¹

Implementation of project portfolio (R2)

The portfolio related to SMEs has developed since 2014, when there was only one project *International Business College in Mitrovica* (IBCM). A study was made that year, which recommended that Sweden should partner with other countries in the support to SME development in Kosovo. In 2016, the two main projects of the portfolio are *Innovation Centre Kosovo (ICK)*²², in cooperation with Norway, and *EMPOWER Private Sector*²³ in cooperation with USAID. Both contributions are well on track.

To support job creation, the EMPOWER project assists SMEs to expand and improve their capacities in relation to identified demand opportunities. Working with more than 200 SMEs, EMPOWER has reported the creation of 1,700 jobs after 2 years of implementation. Through EMPOWER support, 137 SME's have increased their market opportunities through visits and exhibitions at trade fair in EU countries.

The support to ICK aims at strengthening the activities to consolidate ICT startups, to enhance entrepreneurship, innovation and increased employment, especially among the youth, but also with a

¹⁶ Paving the way for better business in Kosovo - Kosovo Chamber of Commerce" Business Climate Survey" 2017.

¹⁷ Reinvest 2013

¹⁸ Bureau of Economic and Business Affairs 2016

¹⁹ The World Bank Group in Kosovo 2015

²⁰ Kosovo Ministry of Economic Development 2016

²¹ The World Bank group in Kosovo 2015

²² 55020283 Support to Innovation Centre Kosovo

²³ 55020298 Sida-USAID joint support to Empower Private Sector

focus on woman and minorities. Since the start of ICK in 2013, many good results have been achieved: 109 startups (of which 60 startups are now doing business), 550 new jobs in the tech industry, and over 240 events organized with high participation (22 000 participants). Corresponding figures from the 18 months since Swedish support started are the following: 31 startups, 120 new jobs and 95 events with a total of 12,000 participants²⁴.

The support to the IBCM is contributing to employment in the ethnically divided city of Mitrovica and broader. IBCM is successfully integrating students from Albanian and Serb communities in northern Kosovo, as well as Roma, Ashkalia, Egyptian and Bosnian communities. Approximately 60% of the students are women. Students get EU accredited bachelor diplomas. Within six months of graduation, 81% of the bachelor graduates find jobs (63% in private sector, 15% in public and 22% non-profit organizations). The activity period of Sida's support to IBCM ended by 31 December 2016. During 2016 and 2017, Sida and other donors of IBCM have been in active dialogue with the Government, in order to arrange that the Ministry of Education cover operational costs of IBCM. A Government decision to that effect was taken in April 2017.

The regional project *Women in Business*, supported by Sida and implemented by EBRD, should also be mentioned. In Kosovo, support has been given to 200 women entrepreneurs (of which 30% startups). Advisory services have been combined with credits of €3 million.

To complement the contributions mentioned above, Sweden, together with USAID and Germany (KFW), has been supporting the creation of the *Kosovo Credit and Guarantee Fund* (KCGF). A law was adopted in 2016 and the independent governmental agency was then established. The guarantee agreement is planned to be signed during the first semester of 2017.

Concluding assessment Results Area 1

The portfolio related to R2 is well balanced and works well. The portfolio aims at strengthening small and medium-sized enterprises (SME) in order to create jobs. All contributions within the portfolio have delivered the planned results, despite the challenges that this sector faces. There is a positive synergy between the bilateral SME projects (EMPOWER, ICK, IBCM and KCGF) and the regional EBRD project *Women in Business*.

The Swedish support is a complement to the support of EU and other donors, who have projects with central institutions aiming at reforms of legislation and fiscal policies that potentially will improve the business climate in the country. There is not a focus on anti-corruption in the SME-projects, but Sweden supports other contributions with that purpose.

The Swedish contributions in support of SMEs seek out and take advantage of opportunities for expansive job creation in several value chains, through workforce skills development and attraction of foreign and domestic investment. The activities have an affirmative focus on assisting underemployed and disadvantaged populations. It includes minorities and marginalized groups in the activities, and the opportunities for women are considered.

The Embassy have assessed that the portfolio is well balanced and all contributions are expected to continue with support to SMEs at the same level as 2014-16 (14 % of the disbursements) or slightly higher. No new projects are planned at present.

²⁴ According to report from ICK, April 2017.

4.3 Result area 2a: Strengthened democracy, greater respect for human rights and a more fully developed state under the rule of law - *Focusing on strengthened public administration and judicial systems*

R3: More efficient public administration, with stronger administrative capacity to implement reforms for EU-integration

Year		2014		2015		2016	
Assessment of:							
Developments toward the strategy results							
Implementation of contribution portfolio							
Indicators	Baseline 2013	Actual value 2014	Actual value 2015	Actual value 2016	Target 2020		
Implementation of Government Annual Work Plan ²⁵	64%	71%	69%	69%	80% (2018) 90% (2021)		
Transparency of taxpayers obligations and liabilities	A	n/a	B+	n/a	A ²⁶		

R4: Delivery of higher quality public services, based on principles of non-discrimination and equal rights and with less corruption

Year	2014		2015		2016	
Assessment of:						
Developments toward the strategy results						
Implementation of contribution portfolio						
Indicators	Baseline 2013	Actual value 2014	Actual value 2015	Actual value 2016	Target 2020	
TI Average of Global Corruption index score	33/100	33/100	33/100	36/100	40/100	
WB Government Effectiveness ²⁷	-0,4	-0,3	N/A	n/a	0.2	
Municipal property tax income	€16.1 M	€ 20.4M	€ 19.9M	€25.2M	€ 30 M	

Analysis of development in Kosovo (R3 and R4)

Reform challenges in Kosovo are to a high degree related to weak or ineffective institutions, and to corruption in various forms. This is still a young country with an incomplete understanding of the role of the public sector and the division of labor between different institutions. The basic legal framework is in place and there are 80,000 public employees, of which 23,000 civil servants. With the help of the

²⁵ Table A (TA) of Kosovo Government Annual Work Plan (provided by OPM).

²⁶ A = PFM är hållbar och effektiv, inkl. effektiv skatteadministration och indrivning. A=PFM is sustainable and effective, including effective tax administration and collection.

²⁷ The index varies between values -2,5 and 2,5, where positive values indicate a positive development. The numbers suggest an improvement in the country, but the change is too small to be sure that the change is statistically significant.

EU and the OECD (SIGMA), important strategies and plans have been developed, but there are still shortcomings in the implementation. Several projects are ongoing in parallel, with the support from actors like the EU, the United States, other bilateral organizations and UNDP. The selected indicators do not show a clear improvement.

Implementation of project portfolio (R3 and R4)

The contribution portfolio for Kosovo includes cooperation between Government agencies of Kosovo and Sweden in two areas: statistics²⁸ and property taxes.²⁹ A support for the reform of the Ministry of Education was phased-out and completed in 2015.³⁰ A new strategic project was started in 2016 to support central policy coordination and planning of Kosovo's Office of the Prime Minister (OPM).³¹ Two additional projects, GAP³² and UN-Habitat³³ contribute partly to the two results R3 and R4. The disbursements in 2016 relating to the results R3 and R4 amounted to 26.7 MSEK, which is 36% of total disbursements³⁴ that year.

The cooperation between Statistics Sweden (SCB) and the Kosovo Agency for Statistics (KAS) and between the Swedish Tax Agency and the Kosovo Property Tax Department aims at increasing transparency, communication and capacity of officials to deliver services to citizens. There is a focus on equal access to information and citizens' right to transparency and participation. Property tax is the most important source of non-targeted local tax collection, which can provide more local autonomy and contribute to real decentralization. All property taxes paid go back to the municipalities, which are obliged to use the funds for municipal investments in a transparent manner.

The new project in support of the Office of the Prime Minister (OPM) has so far identified deficiencies in the work of ministries and possible measures to improve efficiency. During the coming years, instructions and template documents will be produced and a high number of key Government employees will be trained.

Some projects (statistics, land tax) have been delayed due to regulatory or other delays in the work of ministries and agencies, but this has been handled relatively smoothly through re-prioritizing within the projects.³⁵

R5: More efficient judicial systems that to a greater extent guarantee the right to fair trial in accordance with European standards

The result R5 has not been prioritized, but Sweden is indirectly contributing to this result through contributions to EU and EULEX³⁶. There are many international players in the complex legal sector with the European Union, USAID and Germany as main donors.

R6: A reduction in gender-based violence, hate crimes and human trafficking

The result R6 has not been prioritized, but gender-based violence and hate crimes are implicit in the broader civil society and women's organisations support (R8, R9, R12), not least within the Sida-supported regional programme of Kvinna till Kvinna (KtK), which includes local partners in Kosovo.

²⁸ 55020078 Kosovo Statistics 2014-2017

²⁹ 55020197 Property Tax II

³⁰ 53030077 Capacity Development Ministry of Education, Science and Technology.

³¹ 55020195 Improving policy development in Kosovo

³² 55140002 GAP Institute Core Support

³³ 55140008 Inclusive development in Northern Kosovo

³⁴ The corresponding disbursements for 2014-2016 amounts to 87.7 MSEK or 37 % of total disbursements.

³⁵ The property tax project was delayed during 2015 and 2016 due to Kosovo's decision to introduce a complicated system for amnesty of old tax debts. The project had to make new priorities, including the development of computer support which facilitated the municipalities work with the amnesty payments.

³⁶ <http://www.eulex-kosovo.eu/>

R7: More democratic and effective police forces

The result R7 has not been prioritized. Just as in the justice sector, there is a Swedish support to the sector through contributions to EULEX.

Concluding assessment Results Area 2a

The portfolio related to public administration (R3 and R4) has worked well. Given the slow pace within the public administration, it is a strength that the portfolio includes different modalities such as authority cooperation, technical assistance, civil society support and support implemented by a UN organisation. Most of the projects in the portfolio target the institutional level and public officials, but the final purpose is to improve the living conditions for the citizens. In some of the projects the achievement of results hinge on new legislation, which entails a risk given the political instability and polarisation.

The Swedish support is complementary to the support of EU and other donors. EU is considering giving budget support in the Public Administration Reform (PAR) sector, and the Swedish support to the policy development capacity at the Office of the Prime Minister (OPM) is seen both by the EU and by Kosovo as a crucial complement. In the field of statistics, a cooperation effort between EU and Sweden started by the end of 2016, aiming at a delegation of EU funds to Sida³⁷ for a co-financed support to the Kosovo Agency of Statistics 2018-2020, implemented by Statistics Sweden (SCB).

There are two regional Sida-supported projects within Results Area 2a: Statistics in the Western Balkans³⁸, which has created a synergy with the bilateral support to statistics, and a regional project with the Land Cadastre Agencies³⁹ of the Western Balkans, which potentially could provide a synergy with the bilateral property tax project.

Anti-corruption efforts have been applied in this results area. 1) Transparent and open implementation has reduced the risk that Swedish resources become victim of corruption. 2) Several Swedish projects have been designed to achieve results that will increase the access to information and reduce the likelihood of corruption. One example is the Property Tax project, which has introduced on-line information on how the municipalities have used the tax income. 3) GAP, a Kosovar think tank with financial support from Sweden, has actively scrutinized the state and the municipalities with a focus on how the taxes are used and if the politicians hold on to their promises during elections.

A more efficient administration that provide public services based on principles of non-discrimination and equal rights is expected to make life better for poor people and satisfy the rights perspective. The UN Habitat project in the North has an interesting potential in this respect as it engages both municipal representatives and civil society organisations.

There are several examples of integration of environment/climate, gender and/or conflict perspective. The cooperation between Sweden Statistics and KAS has produced gender statistics and environment statistics. The UN Habitat project in the north integrates perspectives on conflict, on gender equality and on the environment. The support to the Office of the Prime Minister (OPM) includes efforts to ensure that the policy development process takes issues related to both gender equality and conflict sensitivity into account.

The portfolio is assessed to be well balanced and all projects are expected to continue until (or to be extended to) the end of the strategy period, 2020. The Embassy plans to continue the support to R3

³⁷ It is foreseen that EU contribute 2 M€ and Sida 1 M€ for the support to improve Kosovo statistics 2018-2020. The project will probably start in May 2018.

³⁸ The regional statistical project.

³⁹ The regional land cadaster project.

and R4 at the same level as 2014-16 (37 % of the disbursements) keeping the focus on the on-going projects. The contribution portfolio is highly relevant and developed in a strategic manner. The on-going collaboration with Swedish authorities is relevant and provides good results. No new projects are planned at present.

Result area 2b: Strengthened democracy, greater respect for human rights and a more fully developed state under the rule of law
- Focusing on increased enjoyment of human rights and greater opportunities to exercise democratic influence

R8: A more pluralistic civil society, including political parties, with strengthened popular support

Year		2014		2015		2016	
Assessment of:							
Developments toward the strategy results							
Implementation of contribution portfolio							
Indicators	Baseline 2013	Actual value 2014	Actual value 2015	Actual value 2016	Target 2020		
Civil Society Rating ⁴⁰	4.0	3.75	3.75	3.75	3.0		
National Democratic Governance ⁴¹	5.75	5.50	5.50	5.50	3.0		
Local Democratic Governance ⁴²	4.75	4.75	4.75	4.50	3.90		

R9: Improved conditions for democratic accountability to the people and participation in political processes, including the promotion of free elections

Year Assessment of:	2014		2015		2016	
Developments toward the strategy results						
Implementation of contribution portfolio						
Indicators	Baseline 2013	Actual value 2014	Actual value 2015	Actual value 2016	Target 2020	
Democracy Score ⁴³	5,25	5,14	5,14	5.07	4,0	
Electoral process ⁴⁴	6	9	9	9	10	

Analysis of development in Kosovo (R8 and R9)

Despite a difficult political, economic and social situation in Kosovo, civil society has managed to become an important factor in the democratization of the country. This impact has been achieved in

⁴⁰ <https://freedomhouse.org/report/nations-transit/2016/kosovo>. The ratings are based on a scale of 1 to 7, with 1 representing the highest level of democratic progress and 7 the lowest.

⁴¹ Ibid.

⁴² Ibid.

⁴³ Ibid.

⁴⁴ The variable measures the degree of transparency and reliability of a country's election processes and can assume any value between 0 and 12. The numbers indicate an improvement in the country.

several ways: through constant pressure for increased transparency and accountability of public institutions, through contributing in different fields with expertise from specialized CSOs and by raising important societal causes and working jointly with citizens groups, local CSOs, engaging citizens to actively contribute to problem solving.

Regarding the political parties, the situation in Kosovo has not improved. The government has often been dysfunctional and there is low level of citizen trust towards institutions and also among each other. The political establishment seems to have less public support than earlier.⁴⁵

In spite of a development in the right direction, the civil society is still weak and fragmented. Civil society organizations struggle with assuming the role as actors of change in a deepened democratic process, rather than only acting as channels for implementation of international aid projects. The *Kosovar Civil Society Index 2016*⁴⁶ has identified some of the main problems, such as the lack of citizen engagement for public issues, the high concentration of CSOs in Prishtina and other cities of Kosovo, the low numbers of citizens engaged in these CSOs, as well as the lack of domestic funding.

Implementation of the project portfolio (R8 and R9)

Sweden continues to be one of the largest donors to civil society. The contribution portfolio has a high relevance and a broad composition of both national and Swedish organizations, which in turn give support to about 100 civil society organizations in Kosovo.

The Swedish organizations Civil Rights Defenders (CRD)⁴⁷ and Olof Palme International Center⁴⁸ (OPIC) have strengthened their partner organizations, which has contributed to an increased freedom of expression through support to alternative and independent media, to increased protection of minority rights, to post-conflict transitional justice and to economic and social dialogue on protection of workers' rights. The CSOs supported by OPIC are from Albanian, Serb and other communities, which contributes to a more pluralist and multi-ethnic civil society.

In 2015-2016 the Embassy signed 5 new agreements on provision of core support to the Kosovar Civil Society Foundation (KCSF), Kosovar Stability Initiative (IKS), Institute for Policy Research (GAP), Innovation Centre of Kosovo (ICK) and the Kosovo Foundation Cultural Heritage without Borders (CHwB-Kosovo). The core support has contributed to a more dynamic, flexible and independent work of the organizations.

The Kosovo Foundation *Cultural Heritage without Border*⁴⁹s (CHwB-Kosovo) has started to operate as a national organization during 2016, as a successor to the Swedish Foundation *Kulturarv Utan Gränser*. It continues to work in accordance with the same principles - safeguarding the values of cultural heritage and its utilisation as a tool to promote human rights, peace-building and democratic development. CHwB Kosovo continues to focus on enhancing the women participation and inclusion of communities of different ethnicity and religion. This is expected to have an effect also on R13.

⁴⁵ http://www.ks.undp.org/content/dam/kosovo/docs/PublicPulse/pp9/PPR9_Anglisht.pdf

⁴⁶ <http://www.kcsfoundation.org/?page=2,6,474#.WNn-yf67pCo>

⁴⁷ 55140004 Civil Rights Defenders

⁴⁸ 55140005 Olof Palme International Center

⁴⁹ 55140003 Cultural Heritage without Borders

R10: Freer and more independent media

Year			2014		2015		2016	
Assessment of:								
Developments toward the strategy results								
Implementation of contribution portfolio								
Indicators			Baseline 2013	Actual value 2014	Actual value 2015	Actual value 2016	Target 2020	
Press Freedom Score ⁵⁰			49	49	49	49	n/a	

It has been reported⁵¹ that journalists often apply a certain degree of self-censorship as a result of political influence of the media and also because of their financial dependency on the media outlets in which they are employed. It has been estimated that 86% of journalists in Kosovo lack permanent contracts and this influences their daily work.⁵²

In 2014-2016 CRD continued to support several alternative and online media outlets in addition to the Press Council of Kosovo, which is a self-regulatory body that oversees the implementation of the Code of Ethics by the press.

The regional support to *Balkan Investigative Reporting Network* (BIRN)⁵³ is an important contribution to increasing transparency and possibilities of demanding accountability. The Embassy monitors this work closely and regularly consults BIRN on issues concerning corruption on a local and central level.

According to the Embassy's assessment of the, the traffic light 2016 for R10 should be *yellow* for development toward the strategy results, while it should be *green* for implementation of the contribution portfolio.

R11: Partner countries better fulfil their international and national commitments on human rights, gender equality (including the EU's strategy for equality between women and men) and non-discrimination

Year		2014	2015	2016
Assessment of:				
Developments toward the strategy results ⁵⁴				
Implementation of contribution portfolio				

R12: Women and men have, to a greater extent, the same power to shape society and their own lives

Year		2014	2015	2016
Assessment of:				
Developments toward the strategy results				

⁵⁰ <https://freedomhouse.org/report/freedom-press/2017/kosovo>

⁵¹ <http://kosovotwopointzero.com/en/political-economic-interests-media-ownership-squeezing-kosovar-journalism/>

⁵² Ibid.

⁵³ 55020253 The regional project *Balkan Investigative Reporting Network* (BIRN).

⁵⁴ There are at this moment no indicators with relevant information to follow this result, neither within the country nor at the EU or the UN.

Implementation of contribution portfolio					
Indicators	Baseline 2013	Actual value 2014	Actual value 2015	Actual value 2016	Target 2020
Women in decision making positions in the public service (%) ⁵⁵	23,2%	27%	27%	n/a	30,0
Women property ownership (%) ⁵⁶	n/a	5%	5%	n/a	20

Analysis of development in Kosovo (R11 and R12)

Kosovo has very advanced gender equality and anti-discrimination legislation. Most international conventions are integrated into Kosovo's constitution and legislation. However as Kosovo is not a member of the UN and not recognized as a state by 5 EU member states, Kosovo cannot formally report on the state of implementation of UNSCR 1325 Women, Peace and Conflict nor Convention on Elimination of Discrimination Against Women (CEDAW). Since the conflict on the Western Balkans in 1999, Sweden has contributed to the implementation of UNSCR 1325 through the extensive support to women's organizations and civil society in general through Swedish NGO Kvinna till Kvinna.

For a number of years, Kvinna till Kvinna has supported diverse women-led civil society organizations (CSOs) operating at municipal and national levels. Most of them (77) are Kosovo Women's Network (KWN) member organizations. It is an inter-ethnic network of geographically diverse organizations and 20 individual members with a joint mission, The Network of Roma, Ashkalia, and Egyptian Women's Organizations in Kosovo involves 13 organizations and 15 activists. In 2014, as part of ongoing negotiations between Kosovo and Serbia, a woman Deputy Prime Minister was appointed as a Head of the Dialogue. The UN Resolution 1325 calls for women's participation in the dialogue, peace, and security. However, until now women in Kosovo have been insufficiently involved in the dialogue and women's needs and priorities have not been adequately considered.⁵⁷

The main obstacle to women's de facto empowerment is the patriarchal structures and attitudes. There is significant family and social pressure on women to waive their rights, guaranteed by law, especially inheritance rights. Domestic violence remains a problem. One possible explanation for this state of affairs is that gender equality is not a prioritized issue in the politics of Kosovo. Gender equality is still commonly seen as a "women's issue" that is to be treated as a stand-alone topic of discussion.⁵⁸

Implementation of the project portfolio (R11 and R12)

The Embassy has a cooperation agreement with the Agency for Gender Equality (AGE) since 2015 with the aim to strengthen AGE's capacities to mainstream the gender equality agenda in the government's frameworks and systems. During 2016 AGE has reached several results: AGE started chairing the Donor Coordination Meetings on Gender Equality, AGE has concluded the evaluation of the previous Kosovo Program for Gender Equality (KPGE) and AGE has prepared the methodology document for a new KPGE 2017-2022. In addition, AGE has established a Working Group for Gender Responsive Budgeting and produced a concept that will be a basis for a new regulation on the GRB.

⁵⁵ <http://ask.rks-gov.net/media/2582/women-and-men-eng-2014-2015.pdf> p.67

⁵⁶ <http://ask.rks-gov.net/media/2582/women-and-men-eng-2014-2015.pdf> p.6

⁵⁷ Country Gender Report, Kosovo 2014, p. 6

⁵⁸ Country Gender Report, Kosovo 2014, p. 1

A project called Support to Roma, Ashkalia and Egyptian Communities in Mitrovica 2014-2018⁵⁹, has been implemented by the Danish Refugee Council (DRC). The overall goal of the project is to support the Kosovo Government in reducing socio-economic isolation and promote a sustainable inter-ethnic livelihood environment focused on addressing environmental and gender issues, with a priority on Northern Kosovo. It is in line with European Commission Strategy for Promoting Equality between Women and Men⁶⁰ as well with Kosovo public policies such as the National Gender Strategy⁶¹ and Kosovo Action Plan for Economic Empowerment of Women.⁶²

In 2014 DRC conducted an assessment that produced comprehensive and reliable data on the needs, capacities and expectations of RAE communities in Mitrovica. The project supported 240 children (112 boys/128 girls) in their joint daily activities. In cooperation with the Municipal Directorate for Intensive Education for RAE Communities, DRC has offered intensive middle school classes to 3 women and 7 men from Roma Mahala. In consultation with the Ministry of Education Science and Technology (MEST) officials and the primary schools directors in Mitrovica, an illiteracy eradication program is supported: 89 RAE women and 25 RAE men completed the literacy classes. During 2015 the DRC gave scholarships to 65 students in vocational training or primary/secondary school.

R13: Increased trust and reconciliation between parties in and between countries.

Assessment of:	Year	2014	2015	2016
Developments toward the strategy results				
Implementation of contribution portfolio				

There are no specific contributions focusing on trust and reconciliation, but this issue is an important component in several contributions, such as the support to Cultural Heritage without Borders, the UN Habitat project, and the support to the International Business College in Mitrovica. During 2016 CHwB identified and documented more than 840 architectural and archaeological monuments. 140 buildings were identified as heritage at risk, 50 other buildings as forgotten by society, 70 historical buildings with economic potential, 55 persons have been trained on branding, promotion and management of risks. Closed historical places have been opened for visitors. Some historic sites have improved their physical infrastructure to increase the accessibility to persons with special needs and interpretation content. A study which is expected to be finalised in the autumn of 2017, called “Kosovo-EU Relations in an age of Violent Extremism⁶³”, produced a paper “An analysis of international media coverage of the phenomena” will also be interesting in this context.

Concluding assessment Results Area 2b

The civil society organizations that Sweden supports actively work on and advocate important development issues such as improved livelihood, an increased level of transparency and accountability, effective rule of law, reduced gender inequalities and increased social justice.

⁵⁹ 55020174 Support to RAE communities in Mitrovicë/Mitrovica 2014-18

⁶⁰ European Commission, Strategy for Promoting Equality between Women and Men (2010-2015)

⁶¹ Kosovo Program for Gender Equality, 2008-2013, 27 May 2010

⁶² Kosovo Action Plan for Economic Empowerment of Women, 2011

⁶³ 10445 Kosovo-EU Relations in an age of violent extremism. The *Norwegian Institute of International Affairs* (NUPI) and the *Kosovo Centre for Security Studies* (KCSS) are working on the study, which will contribute to an increased level of knowledge on the issue of radicalization and violent extremism and its future implications of Kosovo-EU relations. The Embassies of Norway and Finland in Kosovo have joined this initiative.

However, the impact of civil society activity remains very dependent on the level of functioning of the public institutions in general.

For a number of years, the Embassy has led the Donor Coordination Meeting in support to civil society in Kosovo. As the result of a dialogue with the European Union Office in Kosovo (EUOK), it has been agreed that EUOK, through the TACSO project, will upgrade the current Civil Society Organization Electronic Database (CSOED) with the aim to strengthen the coordination process of donors supporting civil society in Kosovo.

Corruption remains one of the top three most important problems for Kosovans.⁶⁴ The Embassy's work with civil society partners is very transparent. The Embassy and CSOs meet regularly in order to share experiences and to discuss development issues. Several of the CSO play an active role in anticorruption by monitoring the authorities.

The portfolio of the results area RA2b is assessed to be well balanced and projects are expected to continue or to be extended until the end of the strategy period 2020.

4.4 Result Area 3: A better environment, reduced climate impact and enhanced resilience to environmental impact and climate change

R14: Partner countries increase compliance with EU regulations and international agreements on the environment, climate and energy

Assessment of: \ Year	2014		2015		2016	
Developments toward the strategy results						
Implementation of contribution portfolio						
Indicators	Baseline 2013	Actual value 2014	Actual value 2015	Actual value 2016	Target 2020	
Number of Environmental Laws (primary and secondary) transposing EU Directives ⁶⁵	177	179	180	184	194	
Number of National Environmental Plans ⁶⁶ finalised and adopted by the Kosovo Government ⁶⁷	5	6	7	8	12	

R15: Enhanced environmental responsibility among the general public, the business sector and civil society

Assessment of: \ Year	2014		2015		2016	
Developments toward the strategy results						
Implementation of contribution portfolio						

⁶⁴ http://www.ks.undp.org/content/dam/kosovo/docs/PublicPulse/pp9/PPR9_Anglisht.pdf

⁶⁵ Ministry of Environment and Spatial Planning, Assembly of Kosovo

⁶⁶ Including Nature Protection Plans, Waste Management Plans, Water Monitoring Plans.

⁶⁷ Ministry of Environment and Spatial Planning, Assembly of Kosovo

R16: More sustainable public services in areas such as water and sewage, waste management, energy efficiency and renewable energy

Year Assessment of:	2014		2015		2016	
Developments toward the strategy results						
Implementation of contribution portfolio						
Indicators	Baseline 2013	Actual value 2014	Actual value 2015	Actual value 2016	Target 2020	
Drinking water supply coverage in the country ⁶⁸	82%	84%	87%	90%	100%	
No. of Local Environmental Action Plans finalized and adopted by Kosovo’s 38 Kosovo municipalities.	15	20	22	26	38	

Analyses of the development in Kosovo (R14, R15 and R16)

The development within results area 3 faces great challenges. According to EU progress report 2016, Kosovo is at an early stage of preparation in this area. Some progress has been achieved, with the planning of infrastructure projects in the environment sector. However, significant efforts are needed to implement and enforce legislation in all environment and climate change areas.⁶⁹ Environmental protection, including natural resource management and protection, remains a low priority.

Issues related to the high unemployment and demand for economic development overshadows policies relating to environment sustainability and climate-change resilience. Still, international environment and climate change agreements, including EU Environmental Legislation, form an integral part of Kosovo's legal framework.

The legal framework for protecting the environment is adequate, but implementation is lagging behind due to a lack of institutional capacity and political priority. The EU Progress report for 2016 concludes that while some progress has been achieved in terms of environmental infrastructure projects, significant efforts are still needed in order to implement and enforce the environmental and climate change legislation.⁷⁰

As a non-UN member, Kosovo is not a signatory to the UN Framework Convention on Climate Change and therefore has not prepared an Intended Nationally Determined Contribution to the 2015 Paris Agreement.

Major sources of pollution are mines, tailing areas, municipal dumps and sewers from the bigger cities.⁷¹ Kosovo is not party to the Stockholm Convention and there is no progress towards the implementation of the Persistent Organic Pollutants Regulation.

There are few civil society organizations that work with environmental issues and there is a very low sense of responsibility within the business sector, the population and the public sector. The problems can be deduced to a lack of adequate experiences regarding urban planning and public management. Important steps in the right direction have been taken both in regards to local and central planning.

Implementation of the project portfolio (R14, R15 and R16)

The *UN Habitat and Municipal Spatial Planning Programme (MuSPP)*⁷² was completed at the end of

⁶⁸ Inter-Ministerial Water Council-Prime minister Office <http://www.kryeministri-ks.net/tfu/?page=2.1>

⁶⁹ European Commission Country report 2016

⁷⁰ Ibid.

⁷¹ University of Gothenburg 2008

⁷² 55020000 UN-Habitat MuSPP3 2011-2015

2016. Through MuSPP substantial progress has been made through the drafting of Municipal Development Plans, Urban Regulatory Plans, Strategic Environmental Assessments and other plans and instruments. The program definitely achieved to develop better understanding and enhanced skills amongst municipal planners.

The contribution *Strengthening Sustainable Private Forestry Development*⁷³ (SSPDF) has targeted private forest owners and their organisations (Association of Private Forest Owners APFO and National Association of Private Forest Owners-NAPFO) as well as members of communities living close to decentralised municipality forest land. It has been assessed that the project works quite effectively with both these groups. The contribution also intended to enhance the capacity in municipalities to manage forests. This may seem problematic in the current situation, when the decentralisation introduced in 2010 is being revoked and the central government is again taking over most forestry functions from the municipalities.

The SSPDF project worked to increase women's participation and their role in influencing positions, and provide support for their economic empowerment. Women's representation in decision-making positions in the associations is expected to increase from almost zero before the project to 20% by the end of the project, mid-project this figure is 10%. This will strengthen women's power and voice within the organizations, while the women producer group established by the project is expected to enhance their economic position.

During 2016, extensive cooperation started with the Ministry of Environment and Spatial Planning (MESP) in support of the implementation of *Kosovo Environmental Program (KEP)*⁷⁴. It will support capacity development of the Ministry, the Inter-Ministerial Water Council (IMWC) and municipalities in environmental monitoring and management, more specifically the capacity for implementation of environmental legislation, in compliance with EU directives.

The contributions within result area 3 have a potential to create synergies in Kosovo with the Sida-funded regional program *WWF Protected Areas for Nature and People in Western Balkans*⁷⁵.

Concluding assessment Results Area 3

The Swedish support within result area 3 complement the support of EU and other donors, which have projects aiming at reforms of legislation and policies and strengthening institutional capacities at central and municipal level. The interventions within this result area lead to better alignment with EU *acquis* and improve implementation of the environmental legislation and management in the country.

The contributions within result area 3 contributed to the improvement of living conditions of all residents. Through a transparent planning process the partner municipalities have improved their organization and planning capacities with public participation that have contributed to the sustainable development that promotes social cohesion, sound environment and reduction of poverty.

Focus on joint management of decentralised forests has a direct link to the needs of people living in poverty as well as to the rights perspective and gender equality, with emphasis on local participation and ownership in the processes.

Social conflict is a reality in Kosovo, particularly in the northern part. There are attempts to involve the Serb minority in joint forest management practices, and one of the project advisors is working with

⁷³ 55020172 CNVP Private Forestry Kosovo Phase 2

⁷⁴ 53030066 Kosovo Environmental Program 2016-2020.

⁷⁵ The regional project WWF Protected Areas for Nature and People in Western Balkans.

a specific component of forestry as a means of bridging with minority communities. This is a slow but important process.

The Embassy have assessed that the portfolio is well balanced and all contributions are expected to continue until 2020. The Embassy will increase the support to the environment and climate change portfolio with a support to Environmental Civil Society planned to launch in 2017.

5. Synergies with Other Swedish Strategies

Annual amount within other appropriation items that reaches the country 2014-2016:	4,396 MSEK
Humanitarian assistance (Appropriation 1)	0 MSEK
Support through Swedish NGOs (Appropriation 5)	4,396 MSEK
Research assistance (Appropriation 32)	0 MSEK
Guarantees	0 MSEK

The Swedish organizations financed from other Swedish strategies and allocations working in Kosovo are KtK, We Effect, Save the Children and Forum Syd. There is an ongoing Twinning project with the Swedish Migration Board and the Swedish National Audit Office (SNAO) is supporting the Kosovo National Audit Office (KNAO). A new Guarantee agreement of 100-150 MSEK is planned in 2017.

6. Donor Context

Development assistance make up 12,6% of the national budget.	Sweden's share of the total of development assistance constitutes 4,3%.
There is no common donor strategy signed by donors.	Common EU Strategy is valid 2014 – 2020 Status of EU joint programming: Planned EU-delegation EU-Sida-Embassy for 2018-2020.
The five largest donors (organisations or countries) are: EU, USAID, Germany, Switzerland and Sweden	Sweden is the 5 th largest donor. Of the EU member states Sweden is the 2 nd largest donor.

The major donors will continue to be active in the coming years and only some minor changes within the donor community is expected, mainly that Finland is phasing out their bilateral cooperation. No change has been seen in USAID's (due to the new administration) or EU's (in regards to Great Britain leaving the union) commitments so far.

7. Conclusions, Lessons Learned and Recommendations

7.1 Suggested Adjustments to the implementation of the Strategy

Adjustments have been done during 2014-2016, closing down some projects and initiating others in accordance with the strategy and with the needs and priorities of Kosovo. As described in the text above, projects have been started within all areas in support of private sector development (SMEs),

public administration reform and a pluralistic civil society. Further changes are planned to take place during the rest of 2017.

Sida will furthermore seek to strengthen synergies between result areas, contributions and partners, to ensure continued relevance of the portfolio and strengthened results. This is especially true for contributions to the public administration reform and support to civil society, but also for results in economic development and gender equality, as well as in environment and conflict. The links between environment and economic development could be strengthened in the area of green economy. Sweden should also continue to strengthen the focus on youth in an innovative way, for example through sports, culture and job opportunities.