



Doruntina Golaj, Chemonics Inc

## ECONOMIC GOVERNANCE ACTIVITY

Economic Governance Activity supports the Government of Kosovo to implement significant reforms to improve the efficiency of government operations, strengthen public financial management, and ensure self-reliant and inclusive governance capacities and systems for future reforms. By doing so, this activity contributes to USAID's overall goal of better serving citizens' needs through accountable and effective governance.

### ACTIVITIES

- Improve the business environment by reducing opportunities for corruption and increasing the transparency and efficiency of interactions within the public sector and between the public and private sectors.
- Strengthen institutional policy development and intergovernmental coordination by helping the Government of Kosovo involve the private sector and civil society in policy reforms.
- Strengthen the Government of Kosovo's public financial management practices to improve the transparency of tax policy and administration processes; strengthen control systems for more efficient spending of public money; and encourage private sector engagement in fiscal policy making.
- Enhance strategic communications in policy making and implementation of reforms to ensure the government's agenda is transparent, has broad public support, and is well-coordinated with other national and local public institutions.

- Support the formalization process of unpermitted buildings by providing training to municipal officials, engaging in public outreach and updating the guidelines on the legalization of unpermitted construction.

## KEY RESULTS TO DATE

- 796 million euros in estimated market value of buildings that were legalized/formalized in ten partner municipalities - securing citizen's property rights, improving access to finance, and fueling economic growth.
- 724 million euros tax revenue collections by the Tax Administration of Kosovo in 2022, a 58% increase from 457 million euros in 2018, significantly boosting domestic revenues.
- 70 million euros in total tax reimbursements released to the private sector by the Tax Administration of Kosovo in 2022, a 35% increase from 52 million euros released in 2018, resulting in improved liquidity in the private sector.
- 45 governance reforms were supported, including legal acts, operational improvements and administrative processes.
- 23 e-governance interventions implemented to support the legalization of unpermitted constructions, construction permitting process, tax administration and public financial management at the central and local level.
- 17 civil society and private sector organizations voluntarily engaged to support activities to motivate citizens to apply for building legalization.

## ADDITIONAL INFORMATION

### PROJECT FUNDING

U.S. Agency for International Development (USAID/Kosovo)

### IMPLEMENTING PARTNER

Chemonics Inc

### KEY COUNTERPARTS

- Tax Administration of Kosovo (TAK), Ministry of Finance, Labor and Transfers (MFLT), Ministry of Environment, Spatial Planning and Infrastructure (MESPI), Ministry of Industry, Entrepreneurship and Trade (MIET)
- 10 partner municipalities (Fushe Kosovo, Gracanica, Istog, Mitrovica, Obiliq, Peja, Pristina, Prizren, Suhareka, Viti).

### WHERE WE WORK

Nationwide

### PROJECT DURATION

March 2019 – March 2024

### TOTAL FUNDING

\$11,262,728

### CONTACT

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