

# SHADOW REPORT

ON PUBLIC PROCUREMENT  
IN KOSOVO 2023





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Balkan Tender Watch is a regional coalition of CSOs working on fight against corruption in public procurement in the Western Balkans.



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## INTRODUCTION

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Starting from 2018, Balkan Tender Watch - a regional coalition of civil society organizations working on fight against corruption in public procurement - assesses the state-of-affairs in public procurement in the Western Balkans countries.

Based on the unique monitoring methodology comprised of 68 indicators, the average score for all six WB countries related to public procurement performance in terms of application of legislative, institutional, systemic and practical anticorruption measures is calculated at 67%, which means that 33% of all public procurements are still implemented under serious threat of corruption.

In 2022, the total value of public procurement in all WB countries amounted to total of 11.6 billion EUR. The average share of public procurement in the gross domestic product (GDP) of WB countries stands at 8.78%, while its share in total budget expenditure averages at 25.7%. When this amount is correlated to the calculated score of 67%, it could be inferred that, annually, 3.8 billion EUR are under direct threat of corruption.

As regards general preparedness of WB countries in the area of public procurement, the European Commission has assessed Montenegro as the best prepared and Bosnia and Herzegovina as the least prepared country. Montenegro has moderate-to-good and Bosnia and Herzegovina has some level of preparedness. Kosovo is assessed as some-to-moderately prepared, with the remaining WB countries (Albania, North Macedonia and Serbia) falling within the range of moderate preparedness. All WB countries are recommended to improve integrity, fight against corruption and conflict of interests in public procurement, and to ensure consistent implementation of public procurement rules.

Public procurement in the Western Balkans is characterized by absence of/insufficient competition, incomplete transparency, lack of efficient control across the entire public procurement cycle, especially in respect to contract performance, and lack of integrity.

Almost all WB countries suffer some form of non-alignment of their respective legislative and institutional frameworks, which creates problems in implementation of public procurements.

Impunity for violations, abuses and criminal offences committed as part of tender procedures remains the biggest problem in the fight against corruption in public procurement and hinders all and any efforts made towards more efficient public spending.

WB countries are recommended to further improve transparency, accountability and liability in public procurement, take specific measures aimed at detecting and preventing conflict of interests, promote integrity in public procurement, as well as process and monitor cases of malpractice and abuse.

WB countries should take urgent and enhanced efforts to ensure and promote competition, equal treatment and non-discrimination in public procurement, as well as to provide further professional and continuous training for persons involved in public procurement.

In addition to the Comparative Evaluation Report, for state-of-affairs in the field of public procurement at the level of individual WB countries is covered under annual shadow reports aimed to offer country-specific and evidence-based insight into and 'local' view of public procurement: how effective is the public procurement system; is the legislative and institutional setup appropriate; and do practical measures taken safeguard against corruption.

Public procurement is a series of actions and events that make up the process of procuring goods, services or works. It starts with the need to obtain goods or services from an outsourced

economic operator and ends with contract finalization, signing and performance. However, the process itself cannot be considered as 'one-size fits all', but unfortunately, that approach has been one of the main downfalls of public procurement in Kosovo.

While, in the course of years, several attempts have been made to reform this public activity, there are no tangible improvements in terms of actual performance and practice, which has led to the failure to attain the overall goal of public procurement in terms of ensuring efficacy and efficiency of public expenditure through this procedure.

Faced with constant and repeated performance challenges in public procurement and the need to accommodate technology advancement, in 2019 the Government of Kosovo initiated a review of its current legislative framework on public procurement; however, on the account of the COVID-19 pandemic and changes to government leadership, the new draft legislation remains on the government's agenda for further consideration.

There is little recent comprehensive research on root causes behind poor performance of public procurement in Kosovo. Mainly, the research found elaborate cases of suspected corruption affairs or illustration of failures, but has limited approach to analysing the root of such problems. In general, the blame is assigned to low accountability; however, there are limited cases where institutional capability and capacity have been analysed. Additionally, there are no clear guidelines or knowledge on interinstitutional responsibilities and cooperation when engaging in public procurement processes, and lack of clear idea about digital tools and their architecture to eliminate human errors. The absence of law on digitalization of processes and procedures imposes another barrier to maximize the digital procurement process.

## HIGHLIGHTS

<b>KEY PUBLIC PROCUREMENT FIGURES, 2022</b>	
Annual value of public procurement:	559 million EUR
Annual change under the value of public procurement:	+30% v. 2021
Public procurement as share of GDP:	5.89%
Public procurement as share of state budget expenditure:	20.34%
Average number of bids per tender procedure:	4.08
Share of tender procedures with one bid:	N/A
Value share of open procedures:	86.49%
Value share of public procurements for goods:	41%

- 86.49% of all public procurements, valued at 483 million EUR, use 'lowest price' as selection criterion.
- Tender competition has declined to the lowest level recorded in the last five years, i.e. from an average of 5 bids per tender procedure in 2018 to 4.08 bids in 2022.
- No information is provided about the top 10 companies with high-value procurement contracts.
- 4.60% of the total value of public procurements was awarded to foreign businesses, accounting for an almost threefold increase compared to 2021.
- Every fifth tender procedure was annulled.
- The value of contracts awarded under negotiating procedure without previously announced procurement notice has significantly increased compared to previous years, accounting for an increase by 14% in total value.
- The number of appeals has increased by around 20%, which is partly due to the fact that the Procurement Appeals Body was not completed in 2021 and appeals could not be reviewed.
- Only 40% of all appeals were approved, which is the lowest approval rate in the last six years.
- The European Commission assessed the country as moderately prepared in the area of public procurement, with limited progress achieved in the last year.
- Adjustment of eligibility criteria for tender participation or adjustment of technical specifications to favour particular bidders is a growing problem. This is reflected in 20% decrease under the number of bids per tender procedure.
- There are serious suspicions about prior arrangements between companies and contracting authorities for tender rigging.
- Performance of public procurement contracts is rarely subject of internal audits, while national audit findings are not good enough. Most of these findings concern administrative errors. However, the national audit authority forwards all findings to the state prosecutor.
- Corruption is most effectively detected and combated by civil society organizations, the media and independent public bodies with relevant competences in this field.

## STATE OF AFFAIRS

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**NO IMPROVEMENT IN IMPLEMENTATION OF PUBLIC PROCUREMENT IN KOSOVO HAS BEEN OBSERVED FOR A NUMBER OF YEARS. THE NEW LAW ON PUBLIC PROCUREMENT IS UNDER DEVELOPMENT FOR SEVERAL YEARS NOW. THERE IS LACK OF INNOVATION IN PUBLIC PROCUREMENT, WITH OPEN PROCEDURE AND LOWEST PRICE BEING USED TO GREAT EXTENT. REPORTS SHOW CASES OF POSSIBLE IRREGULARITIES AND CORRUPTION IN PUBLIC PROCUREMENT, AS FOUND BY INDEPENDENT PUBLIC AUTHORITIES, CIVIL SOCIETY ORGANIZATIONS AND THE MEDIA.**

The situation in public procurement is very problematic, as observed by our organization, but also in other reports. Public procurement is the area characterized by the highest risk or potential for corruption. Moreover, the situation in respect to the legal framework is not favourable as well, especially on the account of complicated and difficult to understand legal provisions in effect.

Although the new Law on Public Procurement is under development for several years now, there is lack of transparency about the drafting process. CSOs are no longer invited to participate in the working group and there is a sense of secrecy about the entire process because nobody in the government dares to share the latest draft version.

According to several reliable sources, the Public Procurement Regulatory Commission (PPRC), which is responsible for monitoring implementation of public procurement rules, is intended to be placed within the Ministry of Finance, thus losing its institutional independence. Moreover, the Procurement Review Body should be transformed into one-level body, i.e. without the right to appeal its decisions. However, these provisions do not appear in the law version sent by the Ministry of Finance.

According to the proposing party, the purpose of these amendments is to address problems that plague the public procurement cycle in Kosovo, which may be of different form, manner and size, but undoubtedly directly affect the Budget of the Republic of Kosovo. However, if these alleged changes are formally adopted, they would further derogate public procurement in Kosovo.

2022 saw a 20% **decline in competition in public procurement** compared to the period five years ago, from 5 bids per tender procedure to 4.08 bids. Neither PPRC or any other public authority publish data on tender procedures presented with only one bid (such information was published in the past), the top 10 companies according to value of their public procurement contracts or any meaningful statistics that would provide a better image about the state of public procurement.

**2022 SAW A 20% DECLINE IN COMPETITION IN PUBLIC PROCUREMENT COMPARED TO THE SITUATION FIVE YEARS AGO FROM 5 BIDS PER TENDER PROCEDURE TO 4.08 BIDS. NEITHER PPRC OR ANY OTHER AUTHORITY PUBLISH OFFICIAL DATA ON TENDER PROCEDURES PRESENTED WITH ONLY ONE BID.**

**There is a growing number of annulled tender procedures compared to previous years.** In 2022, every fifth procurement procedure was annulled. Concerns are raised with the fact that vast majority of tender annulments are not a result of no bids received, but on the grounds of not receiving any adequate bids. Tender annulment creates a lot of problems that primarily threaten the efficiency and effectiveness in operation of the institutions, as well as uncertainty and distrust among businesses. Frequent tender annulment is also related to tender rigging and corruption.

Although the law and secondary legislation encourage use of 'the most economically advantageous tender' (MEAT) as selection criteria, **high 95% of procurement procedures still use 'lowest price'** as the criterion for contract award which, in turn, is a lost opportunity for cost-effective procurement.

The use of negotiating procedure without previously announced procurement notice has increased compared to previous years. This procedure, also known as direct contracting, is the least transparent procurement procedure. Compared to 2021, **the value of directly-awarded contracts has increased by 50%**, i.e. from 52 million EUR in 2021 to 78 million EUR in 2022. However, the biggest problem with these contracts is the fact that most of them are negotiated with a single bidder. In most cases, negotiating does not take place at all, although that is precisely what this procedure encourages.

**Incomplete board at the Procurement Review Body is another negative trend.** For the past five years, PRB's board has not been complete which, in turn, forced current members to review appeals under single-member panels for most of the time. Positive development is seen in the decreased number of appeals compared to 2020 and 2021. The number of appeals approved stands at 55%, while around 33% of cases are sent back for re-evaluation which, in turn, increases the time for contract award.

**Consequently, the lack of integrity in the public procurement system continues to remain evident,** starting from problems with law enforcement, contract management, lack of transparency and inter-institutional cooperation, and ending with lack of evidence and accountability for the cases processed and sanctioned by the prosecutorial and judicial system. Tender files and procurement notices include requirements and criteria that are contrary to the Law on Public Procurement and procurement rules in general, and directly favour certain economic operators.

Public procurement still remains challenging because monitoring has identified some tender files and procurement notices with requirements and criteria that are contrary to

**ALTHOUGH THE LAW AND SECONDARY LEGISLATION ENCOURAGE USE OF 'THE MOST ECONOMICALLY ADVANTAGEOUS TENDER' (MEAT) AS SELECTION CRITERION, HIGH 95% OF PROCUREMENT PROCEDURES STILL USE 'LOWEST PRICE' AS THE CRITERION FOR CONTRACT AWARD WHICH, IN TURN, IS A LOST OPPORTUNITY FOR COST-EFFECTIVE PROCUREMENT.**



the Law on Public Procurement and procurement rules in general, directly favouring certain economic operators. In addition, institutions continue to have problems in estimating the value of procurement contracts, which results in signing public contracts that exceed the amounts of funds planned in their budget. Lack of transparency is a direct result of the fact that procurement contracts are not published on the e-procurement platform. Access to tender documentation is quite difficult due to the large volume of documents. On top of that, capacity of staff working on public procurement is limited, mainly reflected as frequent mistakes made in procedures due to heavy workload. This includes lack of trained staff and adequate infrastructure for procurement management.

In addition to above-elaborated general issues, **the public procurement process is affected by other problems, most of them perpetuated for years:**

- market research is still not conducted properly;
  - procurement needs are not elaborated and justified;
  - public procurement plans are not detailed and are updated once per year;
  - the procurement's estimated value is calculated only formally and without any effort;
  - discriminatory requirements are used in tender documents and technical specifications;
  - growing number of bids match the procurement's estimated value;
  - too many bids are rejected in the evaluation phase;
- contract management lacks resources.

**THE USE OF NEGOTIATING PROCEDURE PREVIOUSLY ANNOUNCED PROCUREMENT NOTICE HAS INCREASED COMPARED TO PREVIOUS YEARS. THIS PROCEDURE, ALSO KNOWN AS DIRECT CONTRACTING, IS THE LEAST TRANSPARENT PROCUREMENT PROCEDURE. COMPARED TO 2021 THE VALUE OF DIRECTLY-AWARDED CONTRACTS HAS INCREASED BY 50%, I.E. FROM 52 MILLION EUR IN 2021 TO 78 MILLION EUR IN 2022.**

## STATE OF AFFAIRS FROM THE EU PERSPECTIVE

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FOR SEVERAL YEARS, THE EU PROGRESS REPORTS HAVE HIGHLIGHTED PROBLEMS IN PUBLIC PROCUREMENT. IN PARTICULAR, KOSOVO IS ASSESSED AS BEING **SOME TO MODERATELY PREPARED** IN THE AREA OF PUBLIC PROCUREMENT, WITH **LIMITED PROGRESS** MADE IN THE LAST YEAR. PUBLIC PROCUREMENT REMAINS **PRONE TO IRREGULARITIES AND VULNERABLE TO CORRUPTION DURING THE PROCUREMENT PROCESS AND SUBSEQUENT IMPLEMENTATION OF THE CONTRACT.** NO PROGRESS WAS MADE IN ADOPTING A NEW PUBLIC PROCUREMENT LAW. GIVEN THAT LAST YEAR'S RECOMMENDATIONS WERE NOT IMPLEMENTED, THEY REMAIN VALID.

In its last Country Report, the EC refers to three general remarks on public procurement in Kosovo:

- (1) adopt a new law on public procurement and a new law on concessions in line with the EU acquis; prepare the corresponding implementing legislation and ensure their proper implementation; the authorities should introduce more effective anticorruption measures across the public procurement cycle;
- (2) increase the capacity of – and cooperation between – all public procurement institutions and contracting authorities;
- (3) ensure that the Procurement Review Body is fully operational and remains functionally independent; strengthen this body's capacity and ensure that its review process is timely, effective and transparent.

The EC's Progress Report for Kosovo notes that the country has not made significant progress in the area of public procurement, while contract management and commitment controls remain weak. The government's electronic procurement platform is still not connected to the financial management information system at the Treasury. As regards the number of contracts signed, the report refers to statistics that, in 2023, 78.2% of contracts were awarded under open procedure and 94.34% of contracts were awarded by using the criterion 'lowest price', while only 5.66% (accounting for 31.6 million EUR) used the best-price quality ratio. Hence, the EC's Report recommended that use of the best-price-quality ratio should be further encouraged in line with the EU Directives on Public Procurement.

**THE EUROPEAN COMMISSION REQUIRES THE COUNTRY TO IMPROVE COORDINATION AMONG KEY STAKEHOLDERS AND STRENGTHEN THEIR CAPACITY TO IMPLEMENT THE PRINCIPLES OF TRANSPARENCY, FREE COMPETITION, EQUAL TREATMENT AND NON-DISCRIMINATION.**

Furthermore, the EC's Report assesses that further improvements are needed in terms of drafting of technical specifications to better support quality, efficiency, and transparency of public procurement. There is a risk of mismanagement and corruption due to limited enforcement, insufficient managerial accountability, insufficient quality control and limited contract management capacity.

As regards legislation in the field of public procurement, some changes have started but are not yet finalized, especially those in relation to new legislation on public procurement, which is duly noted in the EC Report. In particular, **the legal framework on public procurement is assessed as partially aligned with the 2014 EU acquis on public procurement.** A new public procurement law is pending adoption by the government for over two years. The authorities have not yet started to draft the implementing legislation. A new law on public private partnerships is also awaiting governmental approval.

Compared recommendations put forward in EC's 2022 Progress Report to those featured under the EC's 2023 Report, it could be said that the situation in public procurement is still in its initial phase because there is not much progress in this field. While the 2022 Progress Report notes that **the legislation has not yet been changed** and recommended these changes to be adopted, in 2023 Kosovo has not managed to finalize the new law on public procurement.

Furthermore, the report notes that **capacity of contracting authorities to manage public procurement processes varies.** Improvements are needed in respect to market research, bid-evaluation process, as well as implementation and monitoring of procurement contracts. Further improvements are needed in respect to drafting technical specifications to better support the quality, efficiency and transparency of public procurement. There is a risk of mismanagement and corruption due to limited enforcement, insufficient managerial accountability, insufficient quality control and limited contract management capacity. The Public Procurement Regulatory Commission organised trainings to improve the contracting authorities' capacity to use the best-price quality ratio as contract-award criterion. Further, it held seminars on the use of contract management modules and performance evaluation of contractors. The e-procurement system needs to be updated to ensure full functionality.

The fact that **the Central Procurement Agency continues to be understaffed** has been highlighted for several years. Kosovo should improve its procurement planning, and reduce the use of negotiating procedures, which are increasing every year. The EC added that, to mitigate the risks of misuse and fraud, it is important to ensure full transparency, ensure robust reasoning to explain the award decision and maintain audit trails.

Also, there were **no developments in the area of integrity and the fight against conflict of interests.** According to the latest report, Kosovo has a code of ethics for public

**THE EUROPEAN COMMISSION'S RECOMMENDATIONS INCLUDE A DEMAND FOR THE COUNTRY TO IMPROVE MONITORING OF PUBLIC PROCUREMENT PROCEDURES THROUGH REPORTING AND EFFICIENT FOLLOW-UP ON IRREGULARITIES, CONFLICT OF INTERESTS AND FRAUDULENT PRACTICES.**

**REGULATORY AND INSTITUTIONAL MECHANISMS ON INTEGRITY AND CONFLICT OF INTERESTS ARE STILL INSUFFICIENT.**

procurement, but it does not monitor compliance therewith. Specialized professional and ethics training should be delivered to all contracting authorities. Further efforts are underway to boost procurement systems and audit oversight of local governments. More and more municipalities are now publishing their procurement contracts.

In conclusion, the EC Report includes remarks concerning the Procurement Review Body. Following the resignation of one board member, **PRB's board is once again incomplete, although it continues to operate.** The board has never been fully operational in the past five years. Hence, the EC notes that Kosovo needs to ensure that the Procurement Review Body becomes fully operational and remains functionally independent. This body's capacity needs to be strengthened and its review process managed in timely, effective and transparent manner. A total of 820 appeals were lodged, while the board handled 732 cases in 2022 and 88 cases in 2023.

**FOLLOWING THE RESIGNATION OF ONE BOARD MEMBER, PRB's BOARD IS ONCE AGAIN INCOMPLETE, ALTHOUGH IT CONTINUES TO OPERATE. THE BOARD HAS NEVER BEEN FULLY OPERATIONAL IN THE PAST FIVE YEARS.**

## IDENTIFIED CORRUPTION RISKS

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**BASED ON MONITORING OF PUBLIC PROCUREMENT PROCEDURES, IT COULD BE CONCLUDED THAT EACH STAGE OF THE PUBLIC PROCUREMENT CYCLE IS PLAGUED WITH CORRUPTION RISKS AND LITTLE IS DONE TO CLOSE THE GAPS.**

Currently there are several corruption risks in public procurement. The corruption gaps are identified by several reports from CSOs and the media, but little has been done to address the findings.

**Special service agreements up to 36 months through public procurement:** The Law on Public Officials stipulates that special service agreements should be contracted through public procurement. The Public Procurement Regulatory Commission has published the standard document B59: Rules for Procurement of Special Services (consultants/individual contractors). Article 3.6 allows special service agreements to be contracted for up to 36 months. This is a long time and can be misused to 'hire' people who are not allowed to be hired and directly bypass article 22/C of LMPFA in order to avoid increased spending on wages and per diems.

**Public procurement activity initiated without available funds:** Currently, public institutions can begin a procurement activity without available funds. One of the first documents to be signed is B04: Statement of Needs and Determination of Availability of Funds which confirms there are available funds. But, in practice, public institutions initiate procurement activity and make false claims that funds are available by signing this form. One of the clearest examples of this is the tender for adaption of emergency clinic as COVID-19 hospitals, with an estimated value of 18 million EUR, which was annulled due to lack of funds. To mitigate this problem, there needs to be interoperability between the e-procurement platform and the finance systems to block the possibility for initiation of procurement activity without available funds.

**The Public Procurement Law (PPL) allows bidders with same owners/ownership to bid and win contracts:** The current law allows two or more companies with same owners/directors to bid and win contracts. In contrast, the World Bank's procurement rules prohibit companies with same ownership from bidding in tender procedures. One of the recent examples thereof is seen in the contract at the Municipality of Gjakova, where the tender procedure was rigged by two companies with same ownership. This loophole needs to be closed by including a legal provision in the new draft law to prohibit bidding by two companies with same ownership.

**SPECIAL SERVICE AGREEMENTS UP TO 36 MONTHS THROUGH PUBLIC PROCUREMENT – THE LAW ON PUBLIC OFFICIALS STIPULATES THAT SPECIAL SERVICE AGREEMENTS SHOULD BE CONTRACTED THROUGH PUBLIC PROCUREMENT.**

**TENDER RIGGING – RIGGING ELIGIBILITY CRITERIA FOR TENDER PARTICIPATION OR ADJUSTMENT OF TECHNICAL SPECIFICATIONS TO FAVOUR PARTICULAR BIDDERS, PRODUCTS OR SERVICES IS A GROWING PROBLEM AFFECTING PUBLIC PROCUREMENT.**

**Lack of beneficial ownership disclosure:** The term 'beneficial owner' refers to the natural person, i.e., the real, living person, who ultimately owns or controls a company or another asset, or who materially benefits from the assets held by a company. Kosovo lacks regulation on disclosure of beneficial ownership. The disclosure of beneficial ownership should be mandatory for all companies and individuals who receive public funds such as public procurement contracts, subsidies, state aid, etc.

**Shortening the deadline for bid submission:** According to PPRC, shorter deadlines for bid submission are noted for around 16% of the total value of contracts. Different reasons can be referred for use of shorter deadlines. A potential misuse is to shorten the deadline to gain an advantage against other bidders. A short deadline does not allow companies to prepare their bids in time, while allowing companies with inside information to gain advantage. Currently, the institutions only provide the 'reason' for shorter deadline as part of their procurement notice. In order to prevent use of shorter deadlines without convincing reason, PPRC should approve short deadlines for high-value procurement activities.

**Tender rigging:** Rigging the criteria for tender participation or adjusting technical specifications to favour particular bidders, products or services is a growing problem affecting public procurement. There is a growing number of appeals to PRB regarding criteria used in tender dossiers. Most of the time, these criteria are rigged by requesting documents that are impossible to be obtained by other companies, i.e. late addition of requirements for ISO certificates. Also, tender documents include a lot of mistakes about the quantity needed or even the procurement's estimated value.

**Abnormally low-price bids:** While the law features legal provisions that protect contracting authorities from abnormally low-price bids, it is not always easy to compare market prices and bid prices for products/goods/services. Around 10% of complaints lodged to the Procurement Review Body concern claims about abnormally low prices. Abnormally low-price bids are considered a corruption risk because the company tends to offer very low prices for some parts of the tender and very high prices for others. To curb such abuse, the government should create and maintain the National Catalogue of Prices, which can be used by all parties to compare market and bid prices.

**PUBLIC PROCUREMENT ACTIVITY INITIATED WITHOUT AVAILABLE FUNDS – CURRENTLY, PUBLIC INSTITUTIONS CAN BEGIN A PROCUREMENT ACTIVITY WITHOUT AVAILABLE FUNDS. ONE OF THE FIRST DOCUMENTS TO BE SIGNED IS B04: STATEMENT OF NEEDS AND DETERMINATION OF AVAILABILITY OF FUNDS WHICH CONFIRMS THAT THERE ARE AVAILABLE FUNDS. BUT, IN PRACTICE, PUBLIC INSTITUTIONS INITIATE PROCUREMENT ACTIVITY AND MAKE FALSE CLAIMS THAT FUNDS ARE AVAILABLE BY SIGNING THIS FORM.**

**LACK OF BENEFICIAL OWNERSHIP DISCLOSURE – KOSOVO LACKS REGULATION ON DISCLOSURE OF BENEFICIAL OWNERSHIP. THE DISCLOSURE OF BENEFICIAL OWNERSHIP SHOULD BE MANDATORY FOR ALL COMPANIES AND INDIVIDUALS WHO RECEIVE PUBLIC FUNDS SUCH AS PUBLIC PROCUREMENT CONTRACTS, SUBSIDIES, STATE AID, ETC.**

**ABNORMALLY LOW-PRICE BIDS – WHILE THE LAW INCLUDES LEGAL PROVISIONS THAT PROTECT CONTRACTING AUTHORITIES FROM ABNORMALLY LOW-PRICE BIDS, IT IS NOT ALWAYS EASY TO COMPARE MARKET PRICES AND BID PRICES FOR PRODUCTS/GOODS/SERVICES.**

## RECOMMENDATIONS

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BASED ON THE ASSESSMENT OF STATE-OF-AFFAIRS IN PUBLIC PROCUREMENT, AS WELL AS FINDINGS FROM MONITORING SPECIFIC PUBLIC PROCUREMENT IN TERMS OF DETECTING RISKS AND CORRUPTION SUSPICIONS, BELOW ARE RECOMMENDATIONS AIMED AT IMPROVING THE STATE-OF-PLAY AND PREVENTING CORRUPTION.

### PUBLIC PROCUREMENT REFORM

The Government of Kosovo should address public procurement reform as a priority and should ensure that the reform meets the EU requirements, is applicable on the Kosovo market and addresses the challenges identified in terms of attainment of public procurement goals.

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### IMPROVED PLANNING PROCESS

The contracting authorities should make all documents accessible to the public on their websites, not only on the e-procurement platform which requires user registration. Procurement planning should take into account the institution's annual budget and procurement procedures should be organized in line with approved funds.

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### INCREASED CONTROL

The prosecutors and judges should be profiled in the field of public procurement in order to enable professional investigations, prosecutions and judgments to uncover criminal activities that take place as part of public procurement.

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### IMPROVED TRANSPARENCY

Transparency in public procurements should be increased by publishing more documents on the e-procurement platform.

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### MONITORING CONTRACT PERFORMANCE

Persons should be appointed to monitor performance of each public procurement contract with adequate checks and documents on proper implementation of contractual obligations in terms of the procurement type, quality, quantity, deadline, and other aspects from procurement contracts.

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### STAFF CAPACITY-BUILDING

Continuous development and training are needed to increase capacity of procurement officers. PPRC should focus on providing quality training on public procurement, contract management and market access.

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