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1. GENERAL ASSEMBLY

1.1. AmCham holds its Annual Meeting of the General Assembly

*Prishtina, January 17, 2020* – The American Chamber of Commerce in Kosovo held its Annual Meeting of the General Assembly, with an attendance of 94 delegates.

The General Assembly approved the 2020 Annual Program and the Supporting Budget. In addition to approving the two principle documents for the Chamber, the delegates of the General Assembly also elected the eleven new members of the Board of Governors, the titled governors who will be serving for a two-year term, and the untitled governors who will be serving for a one-year term.

The Annual Meeting of the General Assembly also included the presentation from the Executive Director Arian Zeka of the 2019 report of activities and finances.

The new Board of Governors members will include Ilir Ibrahimi from ProCon (President), Hakif Gashi from Meridian Corporation (Vice President), Visar Ramajli from KIVO LLC (Secretary General), Ardiana Bunjaku from SCAAK (Treasurer), as well as the following untitled governors, Mrika Gashi from RDA Centre, Mergim Prishtina from TrePharm, Gjeni Shporta from American Councils, Albena Plana, Agim Bekaj from Microsoft, Shkumbin Mucolli from Burger King, and Lorent Gordi from Philip Morris.

2. GENERAL EVENTS

2.1. Businesses discuss on the development of Social Entrepreneurship in Kosovo

*Prishtina, January 16, 2019* – As a method of developing and financing various solutions to social problems, Social Entrepreneurship is being considered a growing trend, and gradually businesses are focusing their attention towards activities related to this type of entrepreneurship. This was said during the roundtable on Social Entrepreneurship in Kosovo, organized by AmCham.

Antigona Limani, Head of Marketing and Public Relations at Raiffeisen Bank stated that although Raiffeisen Bank is a commercial bank, it is consistently committed to assisting and identifying organizations and companies with social influence, which are showing a significant development over the past few years in Kosovo. Furthermore, she mentioned various key pillars on which this bank has been focused regarding the aspect of developing Social Entrepreneurship. Limani emphasized that it is necessary to support businesses that help solve social problems, in order for this activity to have a greater impact on society, as well as to raise awareness among other businesses.

Greta Kamberi, Recruitment Specialist at Gjirafa, stated that the activities of this company regarding Social Entrepreneurship are numerous, mentioning that their main focus for last year was in education matters. Kamberi expressed that she firmly believes that social responsibility comes from within, and that it must be integrated into the roots of every company. She added that it is important that Social Entrepreneurship is developing in Kosovo, and encouraged all businesses to follow the activities and causes serving for the society. Furthermore, Kamberi noted that Gjirafa is always ready to collaborate in whatever initiatives coming from different enterprises or other stakeholders, that contribute to the development of Social Entrepreneurship.

On the other hand, during the open discussion, as one of the main challenges in developing this type of entrepreneurship the lack of maintenance of the projects after their implementation was mentioned, which often results in displeasure among society.

2.2. Businesses and accountancy professionals discuss Law on Financial Reporting

*Prishtina, January 21, 2020* – American Chamber of Commerce in Kosovo, Society of Certified Accountants and Auditors of Kosovo, and the Kosovo Chamber of Commerce organized a roundtable on the new requirements arising from the Law on Accounting, Financial Reporting and Auditing and the implications that this law creates for the private sector. The purpose of this roundtable was to discuss with business representatives and accounting and auditing professionals the requirements that businesses must meet regarding their financial reporting for fiscal year 2019.
The event was opened by Ardiana Bunjaku – Executive Director at SCAAK, Arian Zeka – Executive Director at the American Chamber of Commerce in Kosovo and Berat Rukiqi – President at the Kosovo Chamber of Commerce, who welcomed the guests, and continued with discussions by panelists Afrim Maloku, Arber Hoti and Arta Limani.

Afrim Maloku, Chairman of the Kosovo Council for Financial Reporting (KCFR) during this meeting stated that the purpose of the Law on Financial Reporting is to increase the inclusion of transparency and reliability of financial statements and audit reports. As an innovation coming from this law, Maloku mentioned public oversight as a new function of KCFR, which includes overseeing the continuing education of certified auditors and accountants, quality control, investigations and discipline. He stated that these are the three main functions of the board of directors that will at all times inspect the work of auditors, audit firms and professional organizations.

Arber Hoti, member of KCFR and financial reporting expert, discussed among other things the change in the categorization of enterprises as well as the additional reporting requirements of large enterprises as entities with public interest. Among these requests, Hoti cited the compliance and corporate governance statement, as well as the management report. Moreover, he spoke about the implementation of standards for the preparation of financial reports, as well as the annual transparency report.

Arta Limani, Director of Audit at Deloitte, mainly spoke about the review process, specifying the difference between audit and review. In her capacity as an expert on the requirements of the standard for review engagements, Limani said that the purpose of this standard addresses the responsibility of reviewers, the form of the review report, and the procedures that reviewers must perform. According to her, the main difference between the two commitments is that the assurance provided by the revision of the financial statements is a more limited assurance, while that provided by the auditor is considered to be of higher assurance.

2.3. Grenell: Businesses have an important role to play in Kosovo-Serbia dialogue

Pristina, January 23, 2020 – Resolution of the outstanding political issues between Kosovo and Serbia would help both countries in terms of economic development and job creation, and the business community should play a more active part in bringing the two sides to a final agreement. This was a key message of the U.S. Special Presidential Envoy for Serbia and Kosovo Peace Negotiations, Ambassador Richard Grenell, during a January 23 meeting with AmCham Kosovo’s business representatives.

Ambassador Grenell stated that the Trump Administration is highly focused on working with the business community to facilitate U.S. job creation, and is equally convinced that the business community is the most important part of solving the Serbia-Kosovo problem. He said that President Trump encouraged him to take the Trump Administration’s energy on economic job creation and try to infuse it into the Serbia-Kosovo dialogue, because businessespeople are going to be the ones that create the excitement and new job opportunities that will ultimately give young people the reason to stay in Kosovo.

He emphasized that the politicians have got to get out of the way, adding that his idea of Kosovo-Serbia commercial flights derived from a similar meeting with businesses, not from his engagement with politicians.

He thanked the American Chamber of Commerce in Kosovo for recognizing from the beginning the importance of a vibrant private sector for sustained economic growth and job creation.

Finally, Ambassador Grenell encouraged all parties to look to the future rather than the past and emphasized that vibrant business communities in Kosovo and Serbia are key to creating a better future for the people of both countries.

AmCham business leaders highlighted the importance of a final agreement between Kosovo and Serbia that would clear the way for economic development, including resolution of all the trade barriers and transportation-related issues. They cited examples of possible projects that would include, but not be limited to, improved highway and rail connections between the two countries, as well as implementation of integrated border management and mutual recognition of documentation and procedures.
2.4. Implementation of Corporate Governance principles helpful to enterprises

Pristina, January 23, 2020 – The integration of corporate governance principles in private enterprises, the impact of these principles on attracting foreign direct investment and improving business management, were the topics discussed in the workshop on corporate governance organized by American Chamber of Commerce in Kosovo.

Leonora Kusari, Principal Manager at EBRD Advice for Small Businesses stated that corporate governance is very important for the institution she works in, because it enhances business investment opportunities. Kusari expressed that some of the benefits of applying corporate governance standards are increased value of assets, turnover, productivity and company profitability. She added that in the Balkan countries there is stagnation in economic development, precisely because of the lack of implementation of corporate governance. Finally, she recommended the private sector to implement these practices in order for the enterprises to benefit more, to attract more investors and to have a larger economic development in the country.

Alban Zogaj, Economist and Monitoring and Evaluation specialist, talked about the state of corporate governance in Kosovar enterprises. According to him, it is positive that many large enterprises in Kosovo have started to integrate corporate governance principles in their companies, however, given the fact that most enterprises in the country are small and medium-sized, corporate governance is yet a new concept. Zogaj also presented some of the findings of studies conducted by "Riinvest" institute where he emphasized that Kosovo still does not have a legal infrastructure that obliges companies to implement corporate governance principles.

Visar Dobroshi, Managing Partner at Recura Financials spoke about the four pillars of corporate governance which include accountability, responsibility, transparency and fairness, which according to him are crucial to the development of corporate governance in an enterprise. Dobroshi stated that over the past six years in Kosovo there has been great progress in raising awareness regarding corporate governance, but there is still room for improvement in terms of implementing its aspects. According to him, implementing the best practices of corporate governance, influences the growth of enterprises’ value.

2.5. Businesses discuss on the benefits of developing a capital market

Pristina, January 31, 2020 – The development of a regulated secondary capital market, which would enable decentralized financing for businesses and would stimulate competition in the financial sector, would be welcomed in Kosovo’s economy. This was concluded during a roundtable organized by the American Chamber of Commerce in Kosovo on initiating a capital market in the country.

The Economist Agim Demukaj defined the capital market as one in which supply meets demand. He expressed that such a market, also known as a financial market, although somehow exists in Kosovo, it is not well regulated, and a barrier in this regard is finding the adequate institution for the matter. According to Demukaj, there are different stakeholders interested in implementing a capital market in Kosovo, but the lack of a basic legislation, mechanisms, instruments and the risk of functioning create obstacles.

Rinor Gjonbalaj, Executive Director at MDA, talked about the need of creating an ecosystem where the bank is a supplement, meaning, an important actor but not the only stakeholder offering access to finance. He presented the idea of a capital market as a new framework which would increase competition in the financing sector, as well as enable businesses in particular and the society in general to have alternative sources of financing. He stated that in comparison with other countries, businesses in Kosovo remain dependent on the banks for financing, while this market would unlock more investment opportunities for both national and foreign investors.

Ramis Ahmetaj, Business Consultant, emphasized that an inclusive capital market regulation agency should be created, since in order to achieve such a system many legislative aspects that clarify respective activities need to be developed. Ahmetaj noted that since this market exists in all countries of the region, it is not impossible for it to be developed in Kosovo. According to him, the need for initiating such a market is immediate as it would enable stability of the financial system by offering a variety of financing tools.
2.6. **Corporate Social Responsibility, highly important for business sustainability**

*Prishtina, January 31, 2020* – In addition to the benefits that Corporate Social Responsibility brings to the well-being of the society, it also has a major impact on the sustainability of businesses, especially by creating a better image for companies that are active in this regard. This was concluded during a roundtable organized by the American Chamber of Commerce in Kosovo, where representatives of member companies had the opportunity to discuss about the impact of their activities on the society.

Agim Hasani from NLB Bank, emphasized that although the institution which he represents is of a commercial nature, CSR remains extremely important to this company. According to him, the main focus of this institution is in taking care of certain segments of society, which are somehow marginalized, adding that in the recent years NLB Bank has been highly active with various projects of this nature. Hasani added that CSR aspects are highly dependent on the success of the institution, because they represent an additional motive for enhancing commitments towards CSR.

Nora Tuli-Karahoda from Cacttus, stated that this company has supported various social causes, while also showing individual responsibility to society. She noted that apart from the philanthropic motive and the goal to raise awareness to the business community regarding participation in such activities, Cacttus’s activity has impacted in creating a better atmosphere within the organization, by conveying the sense of being active to the staff and students of Cacttus Education.

Erina Rrahmani, Project Coordinator at Jahjaga Foundation, added that one of the positive effects of businesses’ involvement in social causes is also the creation of loyal customers. According to her, CSR policies within a company increase the perceived value of consumers towards the company, and thus bringing loyalty especially from clients who believe in the same values. Furthermore, she focused on the need to include women in leadership positions and the need for diversity in institutions.

Anita Kosumi from BPB Bank stated that participation in CSR related activities is very important for this company. By unveiling some of BPB’s projects in this field, Kosumi talked about the support that this company has given especially in the field of culture and sports, and also in increasing professionalism among young people. She considered very important the involvement of all companies in such activities, especially because it boosts the morale not only within the company but beyond.

During this roundtable businesses also discussed about the need for more investment in education, although the return on this investment is made in the long run. Participants also added that it is very important for the media to promote CSR activities free of charge.

2.7. **Fight of informal economy must be a priority in the government’s agenda**

*Prishtina, February 13, 2020* – Public institutions need to strengthen partnerships with the business community in order to fight the informal economy and tax evasion, with the aim of creating an equal and better business environment in the country. This was concluded during a roundtable organized by the American Chamber of Commerce in Kosovo and the company Ernst&Young, where business representatives had the opportunity to discuss about unfair economic practices with the Minister of Finance and TAK General Director.

The Executive Director of the American Chamber of Commerce in Kosovo, Arian Zeka, during this meeting highlighted that the government should support the Tax Administration of Kosovo in strengthening inspection capacities, by ensuring that all businesses declare their taxes properly. He also talked about the importance of fighting informal economy, noting that even in AmCham’s Growth Roadmap document for the new government, the American Chamber has included fighting informal economy as one of the top priorities on the agenda of the new government. Whereas, Dairida Metalia, Tax Manager at Ernst&Young, stated that the presence of the informal economy in various areas of economic activity, which according to statistics reaches over 30% of GDP, is one of the major challenges that Kosovo faces.

The Minister of Finance and Transfers, Besnik Bislimi, emphasized that the key partners of public institutions in fighting the informal economy are the business community and consumers. According to him, the public sector has given quite a contribution in the growth of this type of economy, considering the ministry which he now leads as one of the most responsible actors. The Minister said that informal economy
is fueled by insufficient efforts to ensure formalization of the economy, while the first step that guarantees success in combating it is the acceptance of past failure, and the increased intensity of reporting efforts in TAK. Bislimi considered that the measurement of the volume of informal economy is a problem in itself, where he mentioned that it is a wrong approach to label only some relatively fragile sectors, because informality is harmful independent of the sector that it occurs in.

The General Director of the Tax Administration of Kosovo, Ilir Murtezaj, said that there is already a tradition of developing cooperation between the institution he represents and the business community, which is definitely bringing positive change. Murtezaj added that during the 20 years of TAK's functioning as an institution, but also of business development, he considers that there is a significant advancement on both sides. From the business side this can be seen because of the increased confidence in TAK by declaring and paying their tax obligations, while from TAK's side by the improvement of its staff, which in comparison with a poorly professionalized past, is progressively evolving and raising awareness. According to him, the presence of such a large tax gap is unacceptable for TAK as an institution, despite being at a better level than some countries in the region. Murtezaj emphasized that the Tax Administration of Kosovo has the legal responsibility to reduce the level of tax evasion to a minimum, and they aim to find the key to this problem in close cooperation with businesses.

During the open discussion with businesses, the need to promote electronic transactions instead of cash transactions and its supporting with adequate legal infrastructure was also mentioned among other things.

### 2.8. Women economic empowerment key to country’s sustainable development

**Prishtina, February 14, 2020** – There can be no empowerment of girls and women if this isn’t transformed into a general social cause for which both women and men are committed. This was stated during a roundtable organized by the American Chamber of Commerce in Kosovo.

Vjosa Osmani, President of the Assembly of the Republic of Kosovo, highlighted the importance of greater participation of women in key institutions of Kosovo, adding that now is the right time for them to raise their voices and contribute in solving the most pressing problems which women and girls face. She encouraged successful women entrepreneurs to capitalize on their success by being role models and sharing their achievements to inspire others. According to Osmani, gender inequalities and challenges are still very high in every profession, emphasizing the need for economic empowerment of women, especially those living in rural areas.

Part of the panel discussion were Kujtesa Nezaj Shehu, Head of Office at SDP Kosovo; Brikena Avdyli, Executive Director at Jahjaga Foundation; Merita Limani, Project Manager at Council of Europe, and Syzane Aliu, Owner of Magic Ice, who shared their personal experiences of their journey in business and professional development.

### 2.9. Energy management increases the efficiency of businesses

**Prishtina, February 14, 2020** – United States Agency for International Development (USAID), through the project Development of Regional Energy Markets, in partnership with Tetra Tech and the American Chamber of Commerce in Kosovo, presented to businesses their project on best practices in energy management and usage, through the adoption of a management system.

Panelists at this roundtable were Mark Oven, Senior Advisor at Tetra Tech, Dragan Blazev, Energy Management System (EMS) Expert, and Larcus Pickett, Activity Manager at Tetra Tech, who spoke on energy management challenges in the Balkan countries emphasizing the need for businesses and institutions to measure energy, especially through the adoption of an energy management system, which is designed to monitor energy consumption in one or more production equipment. According to them, energy management can help owners of public, private or commercial buildings reduce costs and help businesses become more competitive.

They emphasized that energy management is very important as it protects businesses and institutions from power failures, improves operational efficiency, competitiveness, and financial performance, while urging businesses to implement such systems in their companies.
2.10. **Rule of law progress to improve Kosovo’s image before foreign investors**

*Prishtina, February 20, 2020* – Functional justice is of critical importance in attracting foreign investors, with a particular emphasis on fair treatment of businesses and fighting corruption as a very widespread phenomenon in the country. This was concluded during a roundtable with the Minister of Justice, Albulena Haxhiu, and the business representatives of the American Chamber of Commerce in Kosovo.

The Executive Director of the American Chamber of Commerce in Kosovo, Arian Zeka, stated that issues related to the rule of law, the functioning of the courts and the enforceability of contracts have always been among the top priority issues with which foreign investors and the private sector in general have faced. He noted that the American Chamber of Commerce is grateful to the new Minister of Justice for incorporating the establishment of the Special Commercial Court in the priorities of the Ministry of Justice, a request that was filed by the American Chamber in 2016.

Minister Haxhiu stated that she will commit to free businesses from any barriers they may face in order for them to continue contributing to Kosovo’s economic development. According to her, the country’s justice system has a key role in attracting foreign direct investment, and it will focus on fighting organized crime and corruption as factors that have often influenced the withdrawal of the former. Haxhiu added that despite the criticism, the establishment of a commercial court with professional and expert personnel, as well as the adequate training of judges in this regard is a priority and of particular importance to the institution that she runs. Moreover, she stressed that she will always be in the service of the right demands of businesses.

Whereas, businesses representatives talked about the problems they face in regard to the courts, including delays in dealing with commercial cases, but also the procedures of enforcement and notarization.

2.11. **AmCham meets the Prime Minister of the Republic of Kosovo**

*Prishtina, February 20, 2020* – The Executive Director of the American Chamber of Commerce in Kosovo, Arian Zeka, has been received in a meeting by the Prime Minister of the Republic of Kosovo, Albin Kurti, and the Deputy Prime Minister, Haki Abazi.

During this meeting, the economic empowerment of the country was discussed, with particular emphasis on the Government’s priorities in this field in general, as well as the promotion of domestic goods in specific. The Executive Director of AmCham has among others repeated the position of AmCham on free trade and economic integration between the countries of the Western Balkans, such as improving the inter-neighborly relations, as well as the perception for the region in the eyes of foreign investors.

The American Chamber of Commerce in Kosovo has provided the government the Growth Roadmap document, in which recommendations of different economic sectors from the members of this organization are included. Whereas, the Prime Minister has emphasized that close cooperation with business representatives is highly necessary for the country’s economic development.

2.12. **A delegation of Mayors from Kosovo is staying in the State of Iowa**

*Prishtina, February 26, 2020* – The partnership between Kosovo and Iowa will further strengthen, through closer cooperation between the local authorities of both countries, but also by expanding the economic cooperation. This was stated during a meeting of the Lieutenant Governor of Iowa with a delegation of Mayors of the Republic of Kosovo, who are staying in the United States of America under the organization of the Regional Development Agency – Center and the American Chamber of Commerce in Kosovo.

The Lieutenant Governor of the State of Iowa, Adam Gregg, expressed his contentment regarding Iowa’s partnership with Kosovo, which is reflected through the partnership agreements between the different cities of Kosovo with those of Iowa.

He pledged to expand this partnership in the field of economics as well, stressing the opportunity for Iowa businesses to become part of the Iowa Governor’s delegation during her visit to Kosovo in June.
Part of this delegation are the Mayor of Prizren, Mytaher Haskuka, the Mayor of Gjilan, Lutfi Haziri, the Mayor of Vushtrri, Xhafer Tahiri, the Mayor of Shitme, Naim Ismajli, the Mayor of Obiliq, Xhafer Gashi, the Mayor of Ranillug, Vladica Aritonovic, Mayor of Manusha, Abdulhadi Krasnic, Mayor of Partes, Dragan Petkovic, two municipal directors from the Municipality of Gracanica, Milos Dimitrijevic and Dejan Jovanovic, as well as Blerim Hasani, representative of the Ministry of Regional Development.

The mayors of Kosovo expressed their commitment to strengthen partnerships with cities of the State of Iowa, presenting, among other things, investment opportunities in their municipalities for American companies from Iowa. They expressed their gratitude for Iowa's support for Kosovo in various fields.

2.13. Digitalization, an inevitable process for businesses

*Prishtina, February 28, 2020* – Digitalization is an indispensable practice in order to increase transparency and efficiency of businesses, as well as to advance further the economic development of the country. This was concluded during a roundtable on digital business in the country, organized from the American Chamber of Commerce in Kosovo.

Milot Arifi, Executive Director at Prosperoware, stated that all companies in Kosovo with or without consciousness are undergoing the digital revolution, which brings with it many opportunities but also various challenges. According to him, it is very important for every company to start implementing this process, initially by promoting a culture in the organization that embraces the initiative, adding that there is still room for raising awareness of digital processes and its benefits for Kosovar businesses.

Getoar Mjeku, Advisor to the Minister of Economy, talked about the government’s 4-year program for digital economy in the country, where he stated that the main purpose of this program is to fund key components of digital transformation. Mjeku mentioned the lack of legislation as one of the already existing barriers to the development of this sector, while stressing that the government will start implementing a project to increase competitiveness in the IT sector. According to him, the government will prioritize the formation of a digital infrastructure supported by an adequate legislation, especially for online trading.

Agim Bekaj, representative of Microsoft, stated that in recent years a large number of Kosovo’s population use social networks, which indicates an increasing trend, therefore Kosovar businesses inevitably have to keep up with modern trends and increase their presence in the digital world. Moreover, Bekaj considered very important the digitalization of public services by the government, because according to him it would minimize chances for practices such as corruption.

Taulant Stublla from Cisco, stated that digitalization is a process of particular importance, which should exist within any business, because among other things it facilitates providing services abroad as well, such as in the case of Kosovar companies. Stublla emphasized that digitalization affects in facilitating work in public and private institutions, while the government should do more to regulate the legal frameworks that would support digitalization.

2.14. Iowa’s Secretary of State talks about business and agriculture cooperation

*Prishtina, February 29, 2020* – The delegation of Mayors from Kosovo, which is staying in the state of Iowa, under the organization of the Regional Development Agency – Center and the American Chamber of Commerce in Kosovo, were received in a meeting by the Secretary of State, Paul Pate.

He considered the meeting with the delegation from Kosovo represented by mayors of different ethnicities of Kosovo, the director of the AmCham and the director of RDA – Center as very important.

“We talked about business and agricultural opportunities between the two states, as well as student exchange,” stated the Secretary of State.

In the meeting attended by Minister of Local Government Administration Emilia Rexhepi, Kosovo Mayors briefed the Secretary of State of Iowa on the progress achieved in Kosovo, as well as on the economic potential offered to American businesses.
The Kosovar delegation consists of the Mayor of Prizren, Mytaher Haskuka, the Mayor of Gjilan, Lutfi Haziri, the Mayor of Vushtrri, Xhafer Tahiri, the Mayor of Shtime, Naim Ismajli, the Mayor of Obiliq, Xhafer Gashi, the Mayor of Ranillug, Vladan Aritonovic, the Mayor of Mamusha, Abdulhadi Krasnic, the Mayor of Partesh, Dragan Petkovic, two municipal directors from the Municipality of Gracanica Milos Dimitrijevic and Dejan Jovanovic, as well as Blerim Hasani, representative of the Ministry of Regional Development.

Kosovo mayors also met with the legislator of the state of Iowa, Zach Nunn, from whom they received recognition for strengthening the Kosovo-Iowa partnership.

2.15. Kosovo women to pursue their career goals despite difficulties

Prishtina, March 7, 2020 – Kosovo women and girls should follow their goals for employment and career development despite any difficulties they may encounter along their path. This was said during the certificate handover ceremony for 30 participants of Enhancing Women’s Employment project, implemented by the American Chamber of Commerce in Kosovo, supported by the U.S. Embassy in Prishtina. The six-month project aimed to prepare young and newly graduated women for the labor market, including a training and internship opportunity in private sector enterprises.

Deborah MacLean, Public Affairs Officer of the U.S. Embassy in Prishtina expressed her hope that this opportunity met the expectations of these young women, and that it has left them with ideas how to continue applying the knowledge and honing the skills you learned as your careers only continue to lead you down a path of success.

“Kosovo is your home and whether it seems like it or not, you have the power to make it what you want,” MacLean said, encouraging participants not lose hope in their capabilities or in their country despite the bumps along the way.

Shkendije Loshaj Krasniqi, Membership Manager of the American Chamber of Commerce in Kosovo, and Project Leader, explained that the Enhancing Women’s Employment project aimed at training young women in management, leadership, communications and emotional intelligence. She thanked the U.S. Embassy in Prishtina for supporting the project, as well as AmCham member companies such as ProCredit, ITBM, KEDS, Pricewaterhouse Coopers and Trepharm for providing the internship opportunities for the training participants.

Until now, eight project participants have managed to be employed with the companies in which they completed the internships, whereas the American Chamber of Commerce in Kosovo will continue to support the economic empowerment of women as well as to increase employment opportunities through its continuous activities, and its Women Leaders Committee.

2.16. Businesses discuss changes in tax legislation

Prishtina, March 10, 2020 – American Chamber of Commerce in Kosovo and Deloitte Kosovo organized a workshop on changes in the Corporate Income Tax Law and the Application of Reverse Charge in Construction, where business representatives were informed on the changes on the tax legislation that came about during last year.

Afrore Rudi, Director of the Tax and Legal Department at Deloitte Kosova, stated that the recent changes outline a complete implementation of tax legislation changes that began ten years ago. She added that with the recent changes a considerable approximation of Kosovo’s legislation to European and International law has been made. Moreover, Rudi emphasized the fact that the Tax Administration of Kosovo has advanced tremendously in the implementation of tax legislation, including compliance with the EU directive on the application of the law on VAT, as well as the implementation of double taxation agreement on the elimination of taxes.

Arian Zeka, Executive Director of the American Chamber of Commerce in Kosovo, stated that over the last decade there have been a number of changes in tax legislation, while AmCham through its tax committee has been one of the largest contributors to these changes. Zeka added that AmCham's focus remains the caution not to increase tax rates, especially in the Personal Income Tax Law. Furthermore, he stressed that
more double taxation elimination agreements are needed considering that they are very necessary for attracting foreign investors. Furthermore, Ruzhdi Zenelaj, Senior Tax Manager and Ardi Rexha, Legal Services Manager at Deloitte Kosovo, briefed attendees on changes and innovations in these laws, namely the Law on Sponsorships, Provisions for Banks and Insurance Companies, changes of the Corporate Income Tax Law and the application of reverse charge in the field of construction.

2.17. Experts recommend incentive packages to overcome COVID-19 impact

Prishtina, March 18, 2020 – Following the situation caused by the global pandemic COVID-19, that has conditioned minimal physical interaction among people, the American Chamber of Commerce in Kosovo has started organizing virtual forums. The business outlook for dealing with this epidemic was discussed during such a forum with Bersant Disha from Recura Financials and Astrit Leti from Cactus. This online forum aimed at generating recommendations that could be taken by the Government of Kosovo in support of private enterprises that are facing difficulties due to the measures taken to prevent COVID-19.

The financial expert Bersant Disha, stated that as this situation is unprecedented for our country, political stability is crucial to dealing with all its aspects in a timely manner. According to him, the blocking of the cash flow in the economy causes a domino effect which affects the bankruptcy of enterprises, increases unemployment, and eventually causes an economic crisis. Disha stressed that if this situation continues without Government’s efforts to support the private sector, the consequences will be noted in a short period of time. In addition, he added that revenues from sales and liquidity have fallen sharply in many economic sectors, and these will result in an increase of the difficulty to pay workers.

Astrit Leti emphasized the importance of making concrete decisions that leave no room for interpretation, especially during this situation. Leti stated that the creation of stimulus packages from the Government for businesses is more than necessary, while stressing that such measures could be taken as an example from other states that have also been affected by the pandemic. According to him, companies will need operational-type incentives such as plans for employee retention, payrolls, and other operations, so that they can keep their activity going. Moreover, Leti added that extra care should be taken not to break any supply chain link, as this would have a very negative effect on the entire economy of the country.

Participants of the virtual forum and numerous business representatives had the opportunity to ask questions, present their requests and recommendations which were mainly related to the tax and loan payment, as well as to the need of creating sustainable value chains.

2.18. Supply with strategic goods continues normally despite COVID19

Prishtina, March 20, 2020 – As part of virtual forums organized by the American Chamber of Commerce in Kosovo following the unusual situation caused by the global pandemic COVID-19, Kosovo Customs officials, as well as representatives of commercial and shipping businesses spoke about trade flows, domestic and international transport, as well as border crossing and customs clearance procedures. In the forum Trade in times of COVID-19 the problems that local commercial and manufacturing companies are facing following restrictive measures taken in many areas to prevent the spread of this pandemic were discussed, and consequently generate recommendations that the Government of Kosovo may undertake to support them.

Bashkim Arifi, Director of Operations and Borders at Kosovo Customs stated that despite the limitations on human resources, Kosovo Customs is carrying out all its functions at full capacity, at all border crossings, in order to facilitate the transportation of goods, especially strategic ones. However, difficulties are posed by neighboring countries which have limited the work of key personnel, including health care, which is making border crossing difficult. He emphasized that Kosovo Customs has accelerated the clearance process to enable a normal flow of goods supply to citizens, stressing that there is no reason to panic, as daily imports will not affect any shortage of essential items for citizens, including wheat and flour.

Avni Krasniqi from the Delfin LTD trading Company, also Chairperson of the Trade and Customs Committee at AmCham, stated that no contractual problems with suppliers were reported with regard to the supply of goods, adding that there are challenges with freight traffic. He considered the restrictions they are facing in the corridors from neighboring states as major problems, given that many states in the region have
declared a state of emergency due to the COVID-19 pandemic. However, Krashiqi stated that a large part of the supply is still functioning well, and stressed that there is no need for panic, nor for buying beyond necessity.

Besir Çmega from Railtrans, stated that despite some obstacles the freight traffic is moving well. However, he called on state institutions to consider the needs of carriers before making decisions and to provide with facilities regarding shipping documents. Çmega added that one of the main problems facing the transport companies is the issue of quarantining drivers in many countries, which is reducing the potential for trucking and also the availability of drivers to carry out these deliveries. Another problem he cited was the lack of real-time information from neighboring countries' customs on their decisions, and suggested that Kosovo Customs issue general notices of these changes. Çmega suggested replacing road transport with alternative forms such as sea or rail freight, with countries that have these alternatives available, in order to overcome the problems mentioned above.

**2.19. Businesses discuss effective leadership & management of teleworking**

*Prishtina, March 23, 2020 –* Although working from home is a new way of organizing work for many economic sectors after the emergency public health situation in the country, this approach is manageable only for a short period, while its extension is estimated to negatively affect the country's economy. This was concluded in a virtual forum organized by the American Chamber of Commerce in Kosovo, during which the effective organizing of work from home was discussed.

Arianit Fazliu from Kutia emphasized that despite the progress of the process of conversion from working from the office to working from home, there are various barriers, especially psychological, that can appear in an unusual work environment. He stated that the way the working from home is perceived is of particular importance, as he shared some valuable advice that also stems from his previous experience of this way of working. According to Fazliu, the supervision of the staff to ensure the maintenance of workflow and productivity is key in such situations.

Valon Canhasi from Hallakate stated that the company he runs is managing the work from home very well, since the very idea of this business has incorporated working remotely. However, minimizing market demand is raising concerns, according to Canhasi, as businesses could go bankrupt if the situation continues for more than two or three months. He added that unlike other countries, our government can do much more to help the private sector, while suggesting the Government of Kosovo to create an online platform to identify exactly which industry is suffering the most from the impact of COVID-19, in order to take concrete steps to improve this situation.

Blin Zeqiri from Art House stressed that despite the many technological opportunities for communication, the lack of work habits and efficiency in Kosovar society can present a challenge in itself for working remotely. Another barrier, according to Zeqiri, are the unknowns that come from this global epidemic, which can affect the risk of business life. He further added that the suspension of many business activities is negatively affecting the country's economy, while the Government should take the example of best practices from countries that are already winning the fight against coronavirus so that business activity continues properly.

**2.20. Local authorities can support local businesses in times of pandemic**

*Prishtina, March 24, 2020 –* Regardless of the critical situation that the country and the world are facing, it is very important to take a proactive role in reducing future economic damages as much as possible. This was concluded today during a virtual roundtable organized by the American Chamber of Commerce in Kosovo with the Mayor of Prishtina Shpend Ahmeti, moderated by Valon Canhasi from Hallakate.

The Mayor of Prishtina Shpend Ahmeti stated that in addition to the health effects of the global COVID-19 pandemic, discourse must necessarily focus on the economic health of the country, since in the absence of information on the duration of the situation there are real chances for economic crisis. According to him, the restrictions on the activity of some businesses, although as a precautionary measure, have concerned a large number of workers who are dependent on the salaries they receive from the private sector. Ahmeti stressed that the central government should allow the local government to change the destination of capital investments to subsidies, while stressing that at this stage the Government should realize that it is not
alone, and cooperate with different stakeholders to generate different economic incentives. Moreover, he suggested to allocate a percentage of municipal budgets to economic aid. Mayor Ahmeti commended AmCham and other chambers for their active role in addressing the needs of the private sector in these unusual times.

The American Chamber of Commerce in Kosovo reiterates that supporting the private sector is key to protecting the country’s economy, which directly impacts the well-being of its citizens. In this very unfamiliar situation, it is essential that every decision, especially those of the economic context, be taken with extra care.

2.21. Manufacturers seek urgent government support to face COVID-19 impact

Prishtina, March 26, 2020 – The Government must take immediate action to address the economic difficulties the private sector in general, and manufacturers in particular are facing, to alleviate the crisis resulting from the global COVID-19 pandemic. This was concluded during a virtual roundtable organized by the American Chamber of Commerce in Kosovo where manufacturing activities in times of crisis were discussed.

Kujtim Gjevori, founder of Scampa and Chairperson of the Manufacturing Committee at AmCham, stated that despite the ongoing challenges of manufacturers in Kosovo, the effects of the global crisis could be fatal for the industry if not stimulated. According to him, the effect of the pandemic has been immediate for the manufacturing sector, while the continuous increase of costs, whether operational or of providing the raw material, will eventually make it difficult for many manufacturing businesses to survive. Gjevori expressed his concern over the lack of incentives from the state and called on the institutions to work closely with relevant stakeholders to support businesses before the damage of this crisis is irreparable to the country’s economy.

Gojart Kelmendi, the founder of Eurokosova, emphasized that difficulties in securing raw materials and their increased cost are among the most concerning issues for the manufacturing industry. He considered cash flow security to be crucial for the proper functioning of the supply chain, while urging the Government to reallocate emergency funds in support of the private sector. Moreover, Kelmendi added that no one from the Government had contacted them so far to assess the impact that the pandemic has had on the manufacturing sector, or to provide any support whatsoever, while stressing the necessity for the Government to be up-to-date with contractor payments. He urged citizens to focus on purchasing local products, so that the cash flow remains within Kosovo.

During this roundtable the necessity of prioritizing local products in the procurement processes, in order to help local producers, and reduce the economic damage in the country was also discussed.

2.22. Banking sector is stable and continues to operate at full capacity

Prishtina, March 27, 2020 – Banking stability is of particular interest to the economy of any country, and despite the prevailing situation in Kosovo and beyond following the spread of the COVID-19 pandemic, banks in our country are considered to be stable, with sufficient liquidity and are well capitalized. This was concluded during a virtual roundtable organized by the American Chamber of Commerce in Kosovo where banking in times of crisis was discussed.

Arton Celina, Chief Executive Officer at BPB Bank stressed that investing in digital technologies that enable payment and electronic services has made it easier for banks to adapt to this situation. He drew parallels between how the pandemic attacks health and the economy, saying that if COVID-19 severely affects people with weak immune system, it would also affect the most fragile financial systems in an economic context. Celina emphasized that banks are operating at full capacity and functionality of digital channels, thus providing a more efficient service to citizens. According to him, Kosovo is very fortunate that in this situation it has a very low public debt and a stable financial system, because these are advantages that make it more immune to crisis. He also spoke about the problems that banks initially faced due to restriction of movement, and explained in detail the decision of commercial banks to assist businesses which face difficulties in fulfilling their credit obligations, adding among others that lending to businesses works as per usual.
Gem Maloku, Deputy Director at NLB Bank, emphasized that the current situation is unprecedented and as such its impact on the global economy isn’t measurable. He stated that banks in general have reacted very cautiously, adapting quickly to this situation through various measures that have allowed regular functioning of the banking system. Maloku added that this sector currently has sufficient liquidity, which is of particular importance to the country’s economy, but the longer the impact of the pandemic extends, the longer the recovery period will be. According to him, assessing the impact after the pandemic is a challenge in itself for all countries in the world. Maloku also stressed the importance of maintaining the necessary financial reporting discipline.

The American Chamber of Commerce in Kosovo emphasizes that the banking sector is one of the most vital elements for dealing with economic crisis, while considering very positive the fact that this sector is stable in this unusual situation.

2.23. International financial institutions are willing to assist the private sector

Prishtina, March 30, 2020 – International financial institutions are identifying the most concrete needs and challenges of the private sector, in order to create the most appropriate tools to support businesses in overcoming the difficulties they are facing as a result of the global COVID-19 pandemic. This was concluded during a virtual roundtable organized by the American Chamber of Commerce in Kosovo with representatives of the World Bank and the European Bank for Reconstruction and Development.

Leonora Kusari, Principal Manager at EBRD Advice for Small Businesses, emphasized that since this bank focuses on the private sector, it has tried to respond quickly to issues related with liquidity and business transformation, considering the impact of the pandemic. She stated that EBRD’s solidarity package is worth 1 billion euros, and will primarily support existing partners, namely banks, businesses and governments, while remaining committed to developing other financial and advisory packages for the private sector. Kusari emphasized that the EBRD is trying to create adaptable instruments for each region in which it operates, particularly for the advisory part and the amount of dedicated funds.

Kusari stated that the EBRD is aiming at providing opportunities to support specific sectors simultaneously, however, the establishment of the mechanisms for relevant instruments is a time-consuming procedure. She also focused on the fact that identifying business problems is of particular importance to the bank, where she encouraged businesses to notify the EBRD regarding specific measures that they believe should benefit. Kusari informed previous clients that due to the pandemic, the EBRD will also provide assistance to companies which have previously been beneficiaries, a situation that would not be possible in other circumstances.

Blerta Qerimi, Senior Private Sector Specialist at The World Bank Office in Kosovo, emphasized that this institution is in continuous discussion with the Government to find the best ways for support during this period. She stated that the impact of the crisis will be enormous economically and socially, therefore, the most favorable opportunities to assist the private sector in the country should be considered. Qerimi emphasized that for the World Bank it is important to have a clear understanding of businesses’ problems so as to better respond to their demands, while emphasizing that the focus is on businesses that are closed and directly impacted by the restrictions imposed during the emergency phase, those that manufacture and export, those that are in a financial shock and are unable to pay their loans, as well as those with problems in the supply chain.

According to Qerimi, the World Bank is currently focused on two projects. One that is being implemented is about increasing the competitiveness and the export capability of businesses. Meanwhile, the other project, which is awaiting approval in the parliament, is about raising the capital of the Credit Guarantee Fund, which aims to facilitate lending and risk sharing between the lender and the borrower, especially for clients who will face a lack of collateral. In addition, Qerimi stressed that the World Bank is considering reorientation of about 10 million euros in funds to support businesses during this emergency phase.

During this roundtable, the panelists commended the business organizations which together have been the best mediators in conveying business requirements, while emphasizing their willingness to cooperate in solving private sector problems.
**2.24. COVID19 pandemic will drive the transformation to online sales**

*Prishtina, March 31, 2020* – Digital transformation is being considered as the most effective option by businesses to continue operating on a regular basis, despite restrictive measures of movement and social distancing as a result of the pandemic. This was concluded during a virtual forum organized by the American Chamber of Commerce in Kosovo, where the disruption of sales in the time of COVID-19 was discussed.

Uranik Begu, Executive Director at the Innovation Center Kosovo (ICK) emphasized that changes always occur in certain driving situations, therefore this pandemic situation may be one of the key factors that will bring about a new economic orientation, by transforming customer’s behavior as well as work processes. Begu emphasized that ICK has consistently contributed to increasing awareness of the digitization and use of online services, seeing that this approach is an increasing global trend. However, he considers that in Kosovo there is still much room for improvement in this regard, while calling on state and support institutions to mobilize and invest in the technical aspect and in raising awareness of the development of digitalization as a stimulus during this crisis.

Mërgim Cahani, Founder and CEO at Gjirafa Inc. stated that e-commerce in Kosovo is among the sectors with the highest growth rate after the pandemic outbreak. According to him, this growth will continue, considering that businesses with traditional approach to sales, have already started to access e-commerce, while a change in consumers’ buying behavior has also been noticed. He stated that Gjirafa offers a quick opportunity for commercial companies to register and switch to online sales. Cahani emphasized that this is only the beginning of a long journey of online sales development, and since many people have already begun to adapt to this new trend, within a few years Kosovo will be able to compare to the markets of developed countries.

Arianit Fazliu, Co-Founder and CEO at Kutia, stated that traditional ways of selling have been limited or stopped as a result of the COVID-19 pandemic, and the former resistance to moving away from the traditional way of working to digital transformation has begun to fade. He spoke about the growing demand for the development of online sales platforms from many European companies, expressing confidence that Kosovo companies will follow the same trend. He added that his company is trying to contribute to the digitization of businesses so that the economic chain can continue to operate, given that demand is significantly increasing. Fazliu stated that digital transformation is the way to the future and encouraged companies to embark on this transition, which is being seen as an opportunity for business development at this time of pandemic.

**2.25. Emergency Fiscal Package does not fully address private sector needs**

*Prishtina, April 8, 2020* – As the largest contributor to the country's economic development, the private sector has been largely hit by the spread of COVID19, and yet the measures taken by the Government’s Emergency Fiscal Package, although welcome, are proving to be deficient in preventing damages, while in terms of compensation, private sector workers are not being treated fairly compared to those in the public sector. This was concluded during a virtual forum organized by the American Chamber of Commerce in Kosovo, where the impact of the Emergency Fiscal Package was assessed.

Fikret Havollli from Orbico stressed the importance of involving the private sector in dialogue processes, emphasizing that the decisions stemming from the Emergency Fiscal Package should have been made in coordination with the business community, for the effect of this package to be sustainable and chain. He stated that some points that should be addressed further are the allocated amount and the structuring or the content of the package. Havollli assessed the amount allocated for coping with this phase to be very small compared to other countries, while stating that its effect will be hardly noticeable. As per the structure, he assessed that is very much based on social schemes, which, although providing an importance assistance, still has a short-term effect by temporarily increasing consumption, and will be more beneficiary to other countries’ economies rather than ours. Havollli stated that most of the package would have to focus on businesses, especially on local manufacturers.

Milaim Abdullahu from Santefarm, at the same time being a representative of the Kosovo Pharmaceutical Distributors Association, stated that as a result of the panic caused by the pandemic, the pharmaceutical sector has seen a significant increase in demand for several days, which was then followed by a drastic
decline after consumers allocated sufficient reserves of medicines. He stated that governments should start treating businesses as stakeholders and expressed his despair over the unveiling of the Emergency Fiscal Package without any consultation with the private sector. According to him, the package constitutes an unequal treatment between the employees of the public and private sector, emphasizing that although pharmacists have been on the front line, they still have not been treated equally to health workers in terms of compensation. Among other things, Abdulahu added that since the duration of the emergency phase is undetermined, the Government should come up with a longer-term plan as the current package is not in proportion with the damages caused.

Sami Makolli from Rikon also highlighted that the measures deriving from this package have not been well clarified, while a more detailed analysis is needed so that it can be impactful to businesses. Although Makolli stated that any assistance is welcomed, he expressed skepticism regarding the implementation of the package, since information on application procedures is unknown. According to him, these measures are not resonating in terms of equality between the public and private sectors, and after this situation private businesses will be even less attractive to employees as they are the first ones who suffer unequal treatment. Furthermore, Makolli called on the Government to be more flexible in carrying out debt payments to contractors, as revenue circulation is key to any company at this time.

2.26. Kosovo’s financial system continues to remain stable despite COVID19

Prishtina, April 10, 2020 - Leaders of the American Chamber of Commerce in Kosovo and Kosovo Chamber of Commerce met with the Governor of the Central Bank of the Republic of Kosovo to discuss economic parameters following the outbreak of COVID19 pandemic.

CBK’s Governor Fehmi Mehmeti informed the President of KCC Berat Rukiqi and AmCham’s Executive Director Arian Zeka that the situation regarding the liquidity of the financial sector continues to remain positive despite the impact that the pandemic has had on the private sector.

He stated that commercial banks remain committed in helping the private sector overcome the difficulties associated with limiting economic activity in order to prevent the spread of coronavirus, including the reprogramming of credit liabilities for enterprises affected by the current crisis.

He further added that there will be no financial penalties from financial institutions or disruption of credit categorization for enterprises, the solvency of which has been hampered as a result of the current situation.

The leaders of the two chambers of commerce offered their full cooperation in order to minimize the impact of pandemics on the economy of Kosovo, but also the exchange of ideas and recommendations that would help in the rapid economic recovery after the pandemics.

2.27. Credit guarantee, a stimulus for maintaining business liquidity

Prishtina, 10 April 2020 – The Kosovo Credit Guarantee Fund plays an important role in increasing access to finance for businesses, especially at this time of crisis when liquidity is crucial to the operation of enterprises in any sector. This was concluded during a virtual forum organized by the American Chamber of Commerce in Kosovo, where the role of the Kosovo Credit Guarantee Fund in times of crisis was discussed.

Besnik Berisha, Managing Director of the Kosovo Credit Guarantee Fund, stressed that the private sector is progressively suffering from the effects of the economic crisis as a result of the COVID19 pandemic. Berisha talked about the current activity of the Fund and the measures that this institution in cooperation with the Government of Kosovo and international donors is taking in support of micro, small and medium enterprises, but also of partner financial institutions during this period of crisis. Furthermore, Berisha announced that the Kosovo Credit Guarantee Fund is operating, and recently its guarantee capital has increased by 6.5 million euros for agribusinesses, as a result of a financial agreement between our Government and the German Government. Moreover, Berisha mentioned that the institution he leads is in constant discussion with partners regarding the creation of new support portfolios for various economic sectors after the recovery period from the pandemic.
Milazim Abazi, Market Director at BDO Kosova and Chairperson of the Finance Committee at AmCham, stated that the Kosovo Credit Guarantee Fund plays an extremely important role, enabling access to bank loans for new businesses, to those without prior business operation history. He suggested that banks should now be more flexible in their instruments and loan portfolios, noting that in addition to deferring payment deadlines, they should provide loans with much lower interest rates compared to interest calculated before the crisis. According to Abazi, the huge impact of pandemics is undisputed, but opportunities for recovery and new investments will also increase for those who know how to take advantage of this opportunity.

2.28. The COVID19 pandemic affects consumption and imports

Prishtina, April 17, 2020 – COVID19 has inevitably affected the drastic decline in imports by 40%, as well as the significant decline in consumption among citizens, which affects not only businesses but also state revenues. This was concluded during a virtual forum organized by the American Chamber of Commerce in Kosovo on the state of consumption after the impact of pandemics.

Bashkim Arif, Director of Operations and Borders at Kosovo Customs, stressed that regarding the import trends, Customs statistics show that in the first weeks of April 2020 there is a declining trend of imports comparing with the first weeks of April 2019. Whereas, there is an upward trend if we take into account the essential products, which are part of the agreement of the green corridor for free trade created recently in the region in coordination with CEFTA. Arif stated that the import of essential products, with special emphasis on wheat and flour has been massive during this time. According to him, Kosovo’s main importing partners are Turkey and Germany, while Serbia ranks 12th. Furthermore, Arif mentioned that Kosovo Customs has used the most optimal methods so that the supply, especially of essential goods, remains stable.

Hakif Gashi, Owner of Meridian Corporation, noted that as a result of various indicators that have emerged after the outbreak of the pandemic, statistics show a significant decline in consumption. He stressed that panic and uncertainty are continuing to shrink the daily consumption of citizens, while the closure of numerous economic activities and consequently the increase in unemployment, are orienting purchases mainly in essential products. According to Gashi, the percentages of consumption have dropped nearly 50% for food products, and 70% for luxury products. Gashi stated that cash injections into the economy are crucial at this time, and they should not only focus on survival, but on motivation for normal consumption.

Dardan Shala, Chief Executive Officer at M & Sillosi mentioned citizens’ panic buying for essential products, especially of flour in the first days of this crisis, while emphasizing that it was a quite challenging period for the flour production industry. According to him, the various problems that arose had to do initially with the dependence on imports, and consequently with the announcement of the abolition of the tax from Serbia, which conditioned this industry to keep stocks as small as possible. During the time when the demand was enormous, Shala emphasized that the revenues were high for this industry, but so were the costs of securing those quantities as the price for raw materials, packaging and transportation increased. According to Shala, as a result of citizens’ panic buying, this industry will now face new challenges to generate revenues. Moreover, Shala called on the institutions to take decisions in full coordination with the business community, so that businesses can contribute to the country’s budget and economic stability.

This virtual forum of the American Chamber of Commerce in Kosovo was supported by the European Bank for Reconstruction and Development.

2.29. Coordination of economic recovery efforts is required

Prishtina, April 21, 2020 – The economic crisis caused by the pandemic not only in Kosovo but across the globe, has largely conditioned the limitation of economic activity, while the lessons learned from it should be used to open new horizons. This was concluded during a virtual forum organized by the American Chamber of Commerce in Kosovo with the acting Prime Minister Albin Kurti and the acting Minister of Finance and Transfers.

The Acting Prime Minister of the Republic of Kosovo, Albin Kurti, stressed that the COVID19 pandemic has sparked an unprecedented crisis with a double impact on health and the economy not only in Kosovo, but globally. According to him, while countries around the world have used fiscal and monetary policies to deal
with this crisis, Kosovo has been handicapped with the possibility of using only fiscal policies, which has made it difficult coping with this situation. The acting Prime Minister emphasized that the Government he leads has addressed the crisis by calculating and optimizing every decision, in order to maximize economic activity and minimize health damage. He stated that his governing program includes increased focus on economic development, which aims to be achieved by formalizing the economy, fighting corruption and motivating production. Kurti stressed that this unique situation has proved the importance of domestic production, and has shown the need to replace imports with local products.

Besnik Bislimi, the acting Minister of Finance and Transfers, stated that the purpose of the emergency package was not to cover the total economic damage, as this would be impossible. According to him, the package is designed to minimize the damages as much as possible, and at the moment it only addresses emergency issues, while additional support for the economy will be provided in the recovery package. Bislimi stressed that targeting within the emergency package has been stopping the increase of poverty, the employee as a bridge between household and production, covering the aggregate cost for businesses and the additional cost for municipalities. Bislimi stated that for the new package of economic recovery he will consult former Ministers of Finance, and that he is closely following the practices and instruments that other countries are using to relax this situation in economic terms, so as to assess which steps can be adapted to our economy.

Arian Zeka, Executive Director of the American Chamber of Commerce in Kosovo, stated that considering the unstable economic structure of Kosovo, together with the President of the Kosovo Chamber of Commerce, Berat Rukiqi, and entrepreneur Visar Ramajli, have presented an opinion which predicts that during the recovery phase, Kosovo has the opportunity to develop a new development-oriented economic model. On this occasion, he mentioned the example of Ireland, which after the crisis of 2008 with good political and social coordination and economic strategies focused on maintaining growth, managed to positively change the economic course of this country.

This virtual forum of the American Chamber of Commerce in Kosovo was supported by the European Bank for Reconstruction and Development, and the European Union (EU)’s Enterprise Development Investment Facility (WB EDIF).

2.30. New economic structure a must for quick recovery

Pristina, April 21, 2020 – Kosovo can pursue a rapid dynamic of economic recovery, but this requires a comprehensive discussion between all relevant stakeholders, as well as changes in the economic structure. These topics were discussed in the virtual forum on the Possibility of an Economic Big Bang after COVID19 organized by the American Chamber of Commerce in Kosovo. A panel comprising of financial experts, Dardan Sejdiu, Ramis Ahmetaj and Bersant Disha, discussed on the impact of COVID19 and the steps to be taken after the start of the economic recovery phase. Among other things, they stated that the large job losses, the decline in aggregate demand and the lack of financial liquidity will create a very difficult situation for Kosovo’s economy.

Dardan Sejdiu, MP of the 2017-2019 legislature and financial expert, stressed that the decline in aggregate demand has significantly affected the increase in unemployment, and if it continues to fall a very unpleasant situation will be created for the country. Sejdiu stated that the policies to be followed for the recovery of the economy should be aggressive in increasing the aggregate demand and this can be achieved with extraordinary programs that the state must undertake. He added that the Government of Kosovo should invest largely in building programs that maintain aggregate demand and prepare the economy for the post-pandemic situation. According to Sejdiu, we need to focus on structuring the economy, or else any global financial and economic shock will take us back to the first level. However, any outcome cannot even be imagined without a comprehensive discussion between the country’s institutions and all those who can contribute in this aspect.

Bersant Disha, Executive Director at Recura Financials, presented the findings of a study conducted by the American Chamber of Commerce together with four other business associations on the impact of COVID19 on Kosovar enterprises, expressing his concern about the impact that pandemic has had on Kosovar enterprises. Disha considered the enormous loss of jobs as a key element of this crisis and stressed that the Government’s support should focus on preserving employment. He stated that given the fragility of our economy, which has taken twenty years to reach its current level of employment, various challenges will
arise to bring it back to the same level after the pandemic. According to him, in addition to the emergency package for private sector support, speeding up the planning of the second fiscal package is crucial to help businesses survive.

Ramis Ahmetaj, business consultant, stated that given the economic developments in the country and in the region where the structure of the economy is constantly deteriorating and unemployment is increasing, economic recovery and return to the situation before the crisis will take a long time and will be extremely difficult. He considered as optimistic the predictions of the Government of Kosovo on the damage that the economic crisis will bring to the country, especially if the opportunity cost is calculated there. Ahmetaj added that the current crisis should be minimized, where he suggested to develop a more comprehensive economic system, increase the number of financial intermediaries, and to take advantage of this opportunity to change the economic structure and the way of doing business in the country.

This virtual forum of the American Chamber of Commerce in Kosovo was supported by the European Bank for Reconstruction and Development, and the European Union (EU)'s Enterprise Development Investment Facility (WB EDIF).

2.31. COVID19 creates legal and tax implications for business operations

Prishtina, April 23, 2020 – Lack of a digital system for the judiciary and reporting of financial statements, various confusions caused by government decisions, lack of liquidity that complicates payments of employees, as well as credit and other liabilities, are causing several legal and tax implications for businesses, while the proportion of measures taken with the situation created, especially in economic terms, continues to be critical. This was concluded during a virtual forum organized by the American Chamber of Commerce in Kosovo, with tax and legal experts Gresë Rexhepi and Ardi Shita, moderated by Visar Dobroshi.

Gresë Rexhepi, chairperson of AmCham Tax Committee and Manager of the Tax Department in PwC Kosovo, praised the measures taken by the Government in response to COVID19 on extending the deadline for tax returns and the obligation to declare financial statements, yet stressed that their duration is insufficient as the crisis is deepening. According to her, the countries of the region should be taken into account while drafting influential decisions in tax matters, especially in the case of exemption from penalties or interest for delays in tax payments by businesses. Gresa emphasized that this was also a recommendation of the Tax Committee of the American Chamber, which emerged considering the obvious lack of liquidity in businesses. Furthermore, she stated that another worrying issue is the lack of a digital platform for reporting financial statements, as during this time physical appearance poses other challenges.

The commercial lawyer Ardi Shita, categorized the issues that arose in the legal respect during the recent weeks within three groups. According to him, the first group includes problems related to ad-hoc government decisions. Shita added that the non-inclusiveness of business associations in the working groups created for these decisions is to be criticized as this has resulted in misinterpretations and drastic changes of decisions within a short period of time. Meanwhile, according to Shita, the second group includes problems with employees and labor law. He stated that the suspension of activities and the large number of workers to be paid by companies have resulted in a risk of liquidity, whereas labor law is unclear remains unclear for such situations. He considered the provisions of vis major as a third problem, emphasizing that the Law on Compulsory Relations deals little with the situation of vis major, while the lack of this clause as a contractual provision can lead to further implications. Moreover, Shita mentioned that at this time there is an increased need for digitalization of the judiciary.

The Virtual Forums of the American Chamber of Commerce in Kosovo are supported by the European Bank for Reconstruction and Development, and the EU’s Enterprise Development and Investment Facilitation Program.

2.32. Disruptions caused by the pandemic pose opportunities for manufacturers

Prishtina, April 24, 2020 – Challenges in doing business which have been presented by the COVID19 pandemic and the disruptions in international supply chains are creating opportunities for the development of various industries in Kosovo, especially those of the manufacturing sector. During these times of uncertainty when the level of consumption is higher, the role of manufacturers who now are the
The greatest contributors to the state economy is seen as increasingly important. The perspective on the impact, challenges and opportunities created by this situation were discussed in the virtual forum organized by the American Chamber of Commerce in Kosovo with panelists Visar Ramajli, co-owner and managing partner of the factory of plastic products KIVO and Mërgim Prishtina, chief executive and founder of the pharmaceutical manufacturing company Trepharm, both also members of AmCham’s Board of Governors.

Visar Ramajli from KIVO, stated that all industries have been hit by the pandemic, both in terms of the difficulties caused in the global supply chains as well as the implications that arose from government decisions. Ramajli, however, said that despite these problems, there hasn’t been a complete cessation of production and circulation of goods. He also expressed his gratitude to employees who through their efforts have kept production going. Speaking about the overall impact on the economy, Ramajli stated that at the time, a proper assessment of the situation and the consequences of the pandemic cannot be conducted, however, work must be done to develop and strengthen the economy, adding that there will be new opportunities for manufacturing industries on the outskirts of Europe, as big enterprises are likely to relocate their production or supply from Asia. As per economic recovery after the pandemic, Ramajli said that Kosovo must become more attractive to foreign investors in order to achieve sustainable economic development. Whereas, for this development it is necessary to invest in sectors with export opportunities i.e., in the manufacturing sector of existing products and new products as well.

Mërgim Prishtina from the Trepharm company, stated that this situation has had a great impact on the manufacturing industries, especially pharmaceuticals, due to increased demand. Such impact has been reflected in the reduction of staff within Trepharm’s premises but also the difficulties in securing raw materials as a result of rising panic-related purchases around the world, purchases that have disrupted the supply chain in local and global production. He stated that the new situation after the pandemic will create a new opportunity for manufacturing companies in Kosovo. He also spoke about the need to change the policymakers’ perception towards entrepreneurs in Kosovo, emphasizing that through close cooperation, parties can discuss possibilities of strengthening the manufacturing sector in general and the rapid economic recovery after the end of the pandemic. Prishtina further said that manufacturers from the Balkans are planning to start manufacturing of products which have so far been contracted in other countries, in order to meet the domestic consumption needs, as well as the needs of the European continent in general.

AmCham’s virtual forums are supported by the European Bank for Reconstruction and Development, and the EU’s Enterprise Development and Investment Facilitation Program.

2.33. COVID19 affected commercial justice by restricting court’s work

*Prishtina, April 29, 2020* – In addition to the restrictions on enterprise activities, the COVID19 pandemic has also affected litigation. To discuss the work of the courts during the situation in Kosovo after the outbreak of COVID19 pandemic, the American Chamber of Commerce in Kosovo in partnership with the USAID Commercial Justice Activity Program have organized a virtual forum with panelists Bajram Miftari, Judge and Leader of the Department of Economic Affairs at the Basic Court in Prishtina and Krenar Berisha, Judge and Head of the Fiscal Department at the Basic Court in Prishtina.

Bajram Miftari from the Department of Economic Affairs stated that since the confirmation of the first case of infection with the COVID19 virus, the Judicial Council decided to reduce all judicial activities. After the decision was made and the businesses were notified about said decision, the modalities of its implementation were discussed and as a result it was decided to postpone the hearings and work with reduced capacities, thus focusing on issues that can be completed without physical contact with the parties. Miftari added that the courts and administration have continued to provide their services to businesses by reviewing cases, adding that due to pandemics, during March only 30 judgments were issued which is a small number compared to the months before the pandemic. He stated that cases of urgent nature such as criminal ones, detention and domestic violence are a priority. Miftari discussed the idea of applying remote platforms to settle commercial disputes, especially those treated through alternative methods, such as mediation. Finally, Judge Bajram Miftari highlighted that postponing the hearings has a great impact on businesses and that a court case is vital for their future and also assured that after the end of this situation, all hearings will be scheduled in the same order they were before the pandemic.
Krenar Berisha from the Fiscal Department asserted that despite the circumstances in which we find ourselves, the Court has accepted lawsuits, requests and objections to administrative decisions which have been duly registered and processed, adding that so far there have been no reductions in cases but that can happen a few months later, after a potential end of the pandemic.

Berisha also spoke about alternative methods of resolving disputes, while stating that they cannot be easily implemented because this department examines the legality of administrative acts issued by public administration institutions. Berisha said that in terms of specific changes brought by these circumstances, the judges have mainly faced security measures proposed by businesses. So far, the pandemic has not caused a lot damage to the judiciary, precisely these departments, but potential damage may be noticed in the future.

2.34. **Kosovo must advance restructuring and bankruptcy legislation**

*Pristina, April 29, 2020 –* The economic crisis caused by the COVID19 pandemic undermines the operations of many enterprises, a number of which may face the need for restructuring or even bankruptcy. To discuss the legal framework for debt settlement, but also bankruptcy restructuring, the American Chamber of Commerce in Kosovo in cooperation with the International Finance Corporation (IFC) organized a virtual forum with panelists Andres Federiko Martinez, Senior Debt and Bankruptcy Specialist in the International Finance Corporation (IFC) part of the World Bank Group, Ardi Shita, IFC Consultant, Berat Rukiqi, President of the Kosovo Chamber of Commerce, and Petrit Balija, Executive Director of the Kosovo Banking Association.

Speaking via video communication from Washington, IFC’s Andres Federico Martinez said that the crisis we are in now, poses a great risk to the survival of businesses and stressed the importance of a genuine strategy to overcome this situation, a strategy which also includes the insolvency system. Martinez said that as a way out of the crisis and minimizing the number of businesses that were on the verge of bankruptcy, insolvency laws have been reformed to make it harder for creditors to speed up the bankruptcy process thus allowing debtors to take advantage of these laws and of the restructuring mechanism as well. He also added that he believes that Kosovo has strong instruments within the bankruptcy law to react to this crisis in order to preserve its main function. He also added that many countries inside and outside the EU have made changes within this law during this period in order to protect companies from liquidation. Martinez further said that the main risk in Kosovo is the liquidation of companies that are functional and necessary for the economy and welfare of the country, emphasizing that we must first encourage extrajudicial negotiations, especially for small and medium enterprises especially since Kosovo has a law on these negotiations. In the end, he encouraged all business owners to consult with their lawyers and use these mechanisms provided by law.

Berat Rukiqi from the Kosovo Chamber of Commerce said that the agenda of business representations aims to minimize the number of businesses with bankruptcy potential and save jobs in Kosovo, adding that among the problems that these companies are facing is the continuous decline of consumption. He mentioned the findings of a survey conducted by five business associations according to which 95% of businesses in Kosovo are affected by the restrictive measures taken by the Government in order to prevent the spread of the virus. He added that 65% of businesses in Kosovo are expressing uncertainty in their future, adding that according to all estimates, the wholesale and retail trade industry has declined and also that without the liquidity of companies, the losses and financial problems that have followed from declining productivity are seen as the main problem caused by pandemics.

Ardi Shita, Consultant at IFC spoke about the framework of the law that regulates the issue of insolvency in Kosovo, saying that at this time it is more current than ever before, also adding that in recent years the legal system, respectively in terms of insolvency has been deficient but since 2016 we have a completely new law which is based on the best European practices. He further added that this law, in the framework of the bankruptcy procedure, offers the possibility of a mandatory reorganization that provides space for the return and development of the debtor, while Kosovo’s law has different mechanisms for small and medium businesses. Shita also spoke about the initiative to create a new bankruptcy law, stressing that reorganization cannot be done so that creditors are offered less return than what they would have earned in the case of liquidation and that it is never intended to harm the creditor. Shita, however, spoke of the general culture that stigmatizes the bankruptcy process, stressing that however, bankruptcy is a normal process that entrepreneurs have to go through, as long as it does not have a deliberate background.
Petrit Balija, from the Kosovo Banking Association, said that in the situation we are in, it is inevitable that some businesses will go bankrupt as a result of the suspension of production or service activities and the reduction of consumption of non-essential products. He added that a considerable number of businesses can now be expected to use debt settlement and business restructuring procedures. Balija also spoke in more detail about the benefit that banks have from the proper implementation of bankruptcy practices or the creation of the new law, saying that banks are giving an extraordinary contribution in order to prevent the insolvency and to support businesses. While interjecting with the current situation Balija said that in the framework of this mechanism is also the program to postpone loans, a program which is being implemented by all members of the Bank Association from which around 45,000 clients have benefited and now the Central Bank has published that a sum of approximately 1.3 billion euros in restructured loans. He also added that that law experts along with judiciary system experts propose that they go for extrajudicial alternatives in the framework of the American Chamber of Commerce and Kosovo Chamber of Commerce.

### 2.35. Execution cases being treated more easily as a result of COVID19

**Prishtina, May 5, 2020** - The effect of the COVID-19 pandemic has been evident in enforcement cases as in any other activity, but bailiffs in Kosovo have responded to this situation by creating favorable facilities for debtors.

However, different complaints have been raised by individuals, and they will be treated in sessions in alternative forms without physical contact. These were said, among other things, during a virtual forum organized by the American Chamber of Commerce in Kosovo in cooperation with the USAID Commercial Justice Program, where the treatment of enforcement issues during the COVID-19 pandemic was discussed.

Feride Podvorica, Head of the Law Enforcement Oversight division at the Ministry of Justice, said that in a period of such crisis when all activities are at stake, it is important to respect the safeguards to prevent the spread of the pandemic. Podvorica added that the International Union of Bailiffs in which Kosovo has the role of an observer member, through a document has called for the restriction of enforcement measures, in order to alleviate financial difficulties for citizens. She stressed that based on this call, the issues of enforcement in Kosovo have been addressed with facilitation, considering that the main criterion on which the union is based is the need for human and moral consideration in the face of an unprecedented situation.

Arben Gashi, Chairman of the Kosovo Chamber of Private Bailiffs, stressed that the institution he leads has been in constant contact with the Ministry of Justice regarding the decisions taken during this time. Gashi said that all their activities have been reviewed, in order to see which activities can operate without endangering public health. He added that in cooperation with all relevant bodies, a decision has been made that salaries and pensions for the month of March should not be debited on behalf of bailiffs. In accordance with this decision, it has been requested that the blocked accounts of the citizens be temporarily released, allowing the withdrawal of salaries without unblocking the accounts. According to him, through this decision it is intended to ensure civic well-being during this period of crisis.

Elbasan Dervishaj, Head of the Department of Free Professions in the Ministry of Justice, stated that bailiffs are more than willing to answer all questions and complaints citizens have about their accounts or even on the notary and notarial deeds, where he mentioned that bailiffs and other relevant departments have kept their doors open to all citizens who had urgent requests. Dervishaj added that so far the complaints they have received have not been from businesses but from individuals, 10 of which have been initiated in the disciplinary commission and are now awaiting the convening of hearings which despite the difficulties caused by the pandemic will be held in alternative forms, where the respective parties can be heard but not endangered by direct physical contact.

### 2.36. Government must address tax debts created as a result of COVID19

**Prishtina, May 13, 2020** – The progress on the process of applications for compensation by the Ministry of Finance, the role of the Tax Administration of Kosovo in collecting and reviewing applications, the impact that the COVID-19 pandemic has had on TAK operations and suggestions for the future were among the topics discussed during the virtual forum organized by the American Chamber of Commerce in Kosovo
supported by the European Bank for Reconstruction and Development, and the EU Enterprise Development
and Investment Facilitation program.

AmCham Executive Director, Arian Zeka while congratulating TAK for its tireless work and availability, re-
emphasized the key role this institution plays especially during this time. He added that during a virtual
meeting with the National Council for Economic Development, AmCham has proposed creating a special
law after the pandemic, which would resolve the issue of possible fines that will be issued during this period
but also debt forgiveness, better treatment of accumulated debt and punitive interest that may arise at this
time. According to Zeka, such a request should be taken into account since maintaining the good health of
enterprises and the guaranteed state of revenues is ultimately in the interest of everyone.

The General Director of the Tax Administration of Kosovo, Ilir Murtezaj, emphasized that the pandemic has
negatively affected the activities planned for this year, and consequently the revenue collection. According
to him, it is difficult to get an accurate picture of the impact that the pandemic has had on the country’s
economy, especially since three decisions have been taken in a row regarding the extension of the deadline
for the declaration and payment of taxes. He added that the latest decision was taken in order for businesses
to avoid the calculated interest, so that companies in financial hardships have the opportunity to complete
the payment of liabilities as soon as possible. Although, businesses were called to use this opportunity, TAK
says to not have encountered a flux of applications for agreements. Furthermore, Murtezaj spoke about
TAK’s responsibility in providing tax certificates, through which they have enabled free movement for
workers, adding that these certificates have been updated several times in accordance
with the rules set by
the Government and through their platform over 5000 certificates were issued within minutes. Murtezaj,
among other things, mentioned that he has raised the issue of opening a contact point to provide
clarifications from state officials to the business community.

Remzi Uka, Chief Executive Officer and Director of the Tax Department at the financial services company
AFAM Group, stated that one of the biggest difficulties’ businesses have faced during this time has been lack
of clarification regarding movement permits, especially for businesses whose safeguards have completely
prevented them from operating. He also spoke about the compensations from the Fiscal Emergency
Package, emphasizing that due to the disruptions of the activities of the institutions and the restriction of
movement, registration of applicants for the emergency package has been difficult which has been proven
especially in cases when only a part of company staff has received compensation. Another issue raised by
Uka was the application for installment payment agreements, for which he suggested that instead of 7
installments for payment of taxes, businesses should be given the opportunity for 12 or in some more
serious cases even 24 installments when the value is high.

2.37. Pandemic causes tremendous disruptions in world trade

Prishtina, May 14, 2020 – The impact of the COVID-19 pandemic on global trade is resulting in
unprecedented supply chain disruptions, while production and consumption are declining day by day.
Members of the American Chamber of Commerce in Kosovo had the opportunity to discuss this topic
through a virtual conference with former U.S. Congressman Jerry Weller, who is now Senior Advisor at
Sandler, Travis & Rosenberg, PA and Nicole Bivens Collinson, Director of International Trade and
Government Relations at Sandler, Travis & Rosenberg, PA, and Managing Director at the Washington office.

Former congressman Weller during the conference stated that despite the downturns in the economy, the
advantages and opportunities created in the import and export sectors should be taken into account. He
stressed that Kosovo must consider the U.S. program on the Generalized System of Preferences (GSP) as
part of the instruments needed to revitalize the economy after COVID-19. Moreover, he stated that in such
circumstances political stability is more than necessary worldwide as the latter’s non-existence negatively
affects economic recovery strategies. The former congressman also stressed the importance of using all
cooperation mechanisms for countries affected by the pandemic to reduce both economic and health
damages.

International trade expert Nicole Bivens Collinson noted that the pandemic has severely affected the
worlds’ economy and trade, creating disruptions in supply chains and financial markets, adding that if the
situation improves there is a possibility of financial recovery within two years. According to her, although
China was taking a leading role among international investors in some underdeveloped countries, thus
having a large proportion of world goods the pandemic has put it in a very difficult position where it has
resulted in growing negative contraction. Collinson also said that even the most developed economies are predicting that 2020 will be a year of significant economic decline, while mentioning the various restrictive measures which have an extremely negative impact on global trade. According to her, such restrictions have caused and may cause new problems as not all economies produce respirators, drugs or other protective products to cope with the health crisis, just as they do not produce food products consumed on a daily basis.

Frymëzim Isufaj, Kosovo’s Deputy Ambassador to the United States, also spoke about the opportunities available to Kosovo companies stemming from the Generalized System of Preferences, noting that the Kosovo Embassy in America would be happy to offer its assistance to all companies interested in exporting to the U.S.

While members of AmCham greatly affected by the impact of the pandemic in their activities, actively participated in this conference, discussing the uncertainties of the duration of the crisis and the added impact it continues to have on economic activity in general, but also in trade in particular.

2.38. Recovery program should focus on supporting women entrepreneurs

Prishtina, May 13, 2020 - Despite the difficulties faced by women-run businesses in Kosovo, they have certainly not been immune to the consequences of pandemics, while they hope for special involvement by the Government in the economic recovery strategy.

These were said, among other things, in the virtual forum organized by the American Chamber of Commerce in Kosovo, where they discussed how to deal with the impact of the pandemic by women in business.

Melita Ymeraga, managing partner at Melita & Partners, stated that her company has been helping businesses from all sectors towards optimization and automation of work processes, which has been very necessary in current circumstances. She added that since the emerge of this pandemic, the business that she runs has been dealing with a lot of problems both personal and client-related. She emphasized that for some enterprises fate in misfortune was the pre-digitalization of their work. Ymeraga added that this pandemic paved a new way of proving that digital processes are more than necessary for every business, while offering the opportunity for the digitalization strategy to be put into practice and to speed up the work processes. She considers that with all the lack of motivation and productivity at work as a result of the latest circumstances, her business is doing relatively well, but still hopes for government support.

Bleta Zeqiri, chief executive of Chocolate Corner, mentioned that the business she runs has several sectors intertwined within hers and because her product is not essential, she noted that the business has been closed during the past period. According to her, this has been the biggest challenge she has faced so far. Zeqiri mentioned that she is in the process of drafting a contract for selling her products online, while she described that this was an opportunity that appeared as a result of the circumstances created by the COVID-19 pandemic.

She added that she used this period to focus on bringing new products, emphasizing the importance of cooperation with other local manufacturing companies.

Zeqiri also expressed the importance of supporting new businesses created or run by women during this period, while regarding the support of businesses by the government, with special priority in helping women in business.

Kujtesa Nezaj-Shehu, director of the Office and Lawyer at SDP Kosova, highlighted that doing business in Kosovo is quite challenging for women even in a normal situation, while the situation of the pandemic has further influenced the increase of such difficulties.

However, she noted that she has managed to mobilize her work immediately, as fortunately her office had invested in advance in the digitalization of activities which have easily enabled the work in these circumstances.

Nezaj-Shehu added that despite this, one of the main challenges has been proper coordination given the
other responsibilities she has a woman outside of work, as working from distance has made it impossible to have a regular schedule.

She stated that this period has shown that the practice of working from distance is welcome for some positions which are not essential, as the same would affect the optimization of operating costs.

2.39. Use of force majeure clauses in contracts is very important for businesses

Prishtina, May 21, 2020 – Although the Kosovar legislation leaves the inclusion of force majeure in contracts at the discretion of the parties involved, COVID-19 pandemic as an unpredictable and uncontrollable event has highlighted the need for incorporation of this clause in contracts, especially considering the emergence of numerous inabilitys to act by any party as a consequence of this pandemic. This was said among others in the latest virtual forum organized by the American Chamber of Commerce in Kosovo, in cooperation with the USAID Program for Commercial Justice on the use and various challenges of the force majeure clause in contracts.

Attorney Fisnik Salihu stressed that the pandemic has noted the need for more comprehensive contracts, in order for parties to protect their positions throughout the duration of the former. Salihu added that in order to use the force majeure clause during this situation, the contract signed between the business and the party as well as the listing of the clause in the contract must be reviewed with legal advisors, for predetermined deadlines to be respected, and for the party to be released from contractual obligations. Furthermore, he stated that COVID-19 is classified as a force majeure in legal terms, so businesses may call upon the force majeure clause for reviewing and retaining of the position stated in the contract.

Attorney Visar Ramaj stated that because of a force majeure as COVID-19 is in this case, businesses have not had effective access to legal mechanisms, which has caused multiple delays in the processing of cases. He added that as far as risk sharing goes, a signed contract between two parties is an instrument that allows the discussion of unpredictable events, through the force majeure clause. According to Ramaj, in case the parties have not specified their actions in case a force majeure happens, the dispositions of the Law on Obligations will apply to their contract. He also stressed that if the obligations under contracts are not fulfilled due to this force, the party does not possess the right to sue for compensation, but can only terminate the contract in hand.

2.40. Kosovar entrepreneurs use innovation to fight the pandemic

Prishtina, May 27, 2020 – The COVID-19 pandemic has encouraged the country’s entrepreneurs to approach the challenges it has created as innovatively as possible, thus highlighting the key role of innovation in this fight. Creative reforms in the development of Kosovar enterprises during this challenging period, and entrepreneurs’ reaction to the pandemic were discussed at the virtual forum organized by the American Chamber of Commerce in Kosovo with the support of the European Bank for Reconstruction and Development, and the European Union’s Enterprise Development Investment Facility (WB EDIF).

Entrepreneur Ardian Hoxha stressed that the measures imposed to prevent the pandemic have created opportunities for development and innovation within enterprises in all affected sectors, adding that a temporary reform has been created in doing business, focused on remote-working strategy.

Hoxha stated that now is the time to seize the moment, and think of a new economic model for the country, with a focus on creating a competitive economy where Kosovo will have something to offer in the global market in the post-pandemic period. Hoxha appealed to all parties, whether in government or opposition, to put aside their anger and focus on economic recovery before it is too late, as any delay could have multiplicative side effects.

Visar Idrizi, Chief Executive and Founder of Vi-Print, said that his company has tried to consider every opportunity of minimizing the damage from the pandemic, by reviewing the situation and developing innovative ideas to adapt to it. He stated that ViPrint’s work is directly linked to various sectors which have been hit hard or even completely shut down during this time, and yet the company has continued operations with essential sectors, working with increased caution. Idrizi added that this crisis has imposed a new culture of creativity and has highlighted the need for availability of local products and services.
Furthermore, he stated that now is the time to be as close as possible to each other, and to be open to cooperation towards new innovations, helping revive the country’s businesses and economy in general.

Petrit Bejdoni, PR Manager at ASHA, stated that while trying to adapt to the new reality, ASHA in cooperation with the hygienic company Zog & Zog, has developed some innovative ideas for necessary products during the pandemic. According to Bejdoni, ASHA’s creativity stems from the need to keep the business alive, and to adapt to the challenging circumstances that have been approached by creating the D-Box disinfection cabin. He added that this product, in addition to the primary health care service, can also affect the perception of the company by creating a better image for customers and users of this product, while contributing to the fulfillment of corporate social responsibility. Bejdoni also stated that this time has changed customer behavior, emphasizing the need for greater closeness and cooperation between the company and the customer.

2.41. Courts have the capacity to deal with insolvency cases

Prishtina, June 11, 2020 – In addition to the impact on public health, COVID-19 pandemic has caused a serious economic crisis in enterprises of all sectors due to disruptions in demand and supply. During this time, a large number of companies have expressed uncertainty regarding their survival after the pandemic, whereas considering the impact of restrictive measures, the use of insolvency procedure can be very useful for Kosovar businesses which face difficulties of this nature.

COVID-19 impact on Kosovar businesses and legislation on restructuring and insolvency of companies was the topic of a virtual workshop organized by the American Chamber of Commerce in Kosovo in cooperation with the IFC’s Western Balkans Debt Resolution and Business Exit Project.

Syzana Dautaj, IFC Debt Resolution and Business Exit Project Coordinator in Kosovo, while referring to a survey conducted by five business organizations including AmCham, on the impact of COVID19 on Kosovar enterprises, stated that 64% of businesses in the country express uncertainty about their future. According to her, the legal framework that regulates insolvency issues at this time is more current than ever before, and it can be expected that a significant number of businesses in Kosovo will use this procedure for debt settlement and restructuring. Meanwhile, AmCham Executive Director Arian Zeka, stressed that the Law on Bankruptcy of June 2016 includes the best European and U.S. standards, replacing a previous legal framework which was almost unenforceable. Zeka stated that due to the situation created following the outbreak of COVID19, we may face a greater number of insolvent companies that risk bankruptcy, and consequently a larger number of debtors who may undergo procedures for reorganizing or restructuring debts. Zeka highlighted that under such circumstances we are fortunate to have a law that regulates these matters.

Mahir Tutuli, Judge in the Department of Economic Affairs at the Court of Appeals, stated that the bankruptcy law that was established in 2016 is a comprehensive law that enables businesses to reorganize their activities through courts, and yet so far in Kosovo there are few such cases. According to him, many factors affect the small number of these cases, and among them is the stigmatization of the word bankruptcy, which is perceived very negatively. Tutuli stressed that few understand that bankruptcy is only a procedure through which the reorganization of enterprises, respectively their economic recovery is intended to be achieved, while if this cannot be accomplished then enterprise liquidation is done as a final phase. According to the Judge, advantages of this procedure are the guaranteeing of a safe state for creditors that have claims against the enterprise subject to bankruptcy, the creation of space for businesses to be facilitated in a certain period after the moratorium prohibits all claims against them, and the possibility of planning to reorganize. The judge mentioned that other factors for not using this procedure are the reluctance of lawyers to deal with this area, and the legal provision which requires two creditors in order to open a bankruptcy case. He also spoke in detail about the provisions of the new bankruptcy law.

Ardi Shita, Legal Expert at IFC Debt Resolution Program, said that the COVID-19 pandemic could lead to an increase in enterprise bankruptcy cases, but the new law’s primary goal is to preserve jobs and reorganize businesses to avoid their complete liquidation. He stressed that the law also provides for the preservation of asset value, where the parties may request that non-essential business properties be removed from the list of insolvent assets during the insolvency process, in order to preserve their value. Shita emphasized that this law in its moratorium prioritizes the prohibition of actions against the enterprise so that the creditor cannot request compulsory fulfillment of the obligations provided in the contract by the debtor.
during the time the case is in process, thus creating facilities for reviewing the business reorganization plan. Shita also mentioned that this law protects the rights of all parties involved in the bankruptcy process, while adding that it provides for the concept of debt relief which entitles the debtor to request the court for release of debts at the end of the process of bankruptcy, meaning that all aspects treated in this process cannot be claimed again by either party. He stressed that the capacity of Kosovo’s courts is sufficient and more than advanced compared to the region, but awareness of the bankruptcy process must be increased.

2.42. AmCham organizes training on talent acquisition and retention

Prishtina, June 17, 2020 – The American Chamber of Commerce in Kosovo organized a virtual training on talent acquisition and retention, delivered by Greta Kamberi, Talent Recruiter Specialist at Gjirafa. In this training the strategies of recruitment, management and promotion of the staff as well as the importance of acquiring and retaining talented and qualified personnel in order to ensure the development and increase of company values were discussed.

During this training, Kamberi stressed the importance of recruiting young talents, especially at this time after the release of restrictive measures against COVID-19 and return to normalcy. According to her, recruitment procedures are different based on the respective company culture, while recruitment is a process that is subject to constant changes and therefore must be adapted to the methods of the latest trends such as the promotion of vacancies in various social networks, job fairs, or through memorandums of agreements with universities.

The recruitment specialist stressed that an important part of the recruitment strategy is the accurate formulation of the job description for which the vacancy is open, so that potential candidates are well-informed about the tasks and responsibilities of the job before applying. Among other things, Kamberi stressed the importance of branding the company, where she considered that the image of the company is key in attracting or retaining talent, considering that skilled workforce is constantly in high demand.

Furthermore, the role of employee’s personality in organizational behavior, the variety of companies’ strategies for recruiting and retaining talents, as well as the different stages of recruitment were discussed along with the participating members of AmCham during this training.

2.43. Reforms in commercial justice are a precondition for more FDI

Prishtina, June 18, 2020 – The American Chamber of Commerce in Kosovo organized a virtual forum with the Minister of Justice, Selim Selimi, where the Government’s plan for reforms in legal processes and rule of law in the country were discussed, with key emphasis on commercial justice. Funding for this virtual forum was supported by the European Bank for Reconstruction and Development, and the EU’s Enterprise Development and Investment Facilitation Program.

Arian Zeka, Executive Director of AmCham stated that he hopes that under the leadership of the new Minister of Justice, the establishment of the Commercial Court as well as the process for Functional Review of the Rule of Law Sector will be completed. He also noted that the Ministry should consider the drafting of a Commercial Code, given that the country already has a Criminal Code and is in the process of finalizing the Civil Code, thus considering this a step that would conclude the legal architecture of Kosovo.

Chris Thompson, USAID Commercial Justice Activity’s Chief of Party, stressed that the program he runs aims to reduce corruption in Kosovo by improving the resolution of commercial disputes inside and outside courts, adding the need for increased public awareness on the importance of commercial justice over the country’s economic growth and development. He added that USAID is working closely with the Kosovo Ministry of Justice and judiciary to develop legislation for the Commercial Court, which will provide legal services to Kosovar businesses.

Minister Selimi stressed the importance of establishing the Commercial Court, emphasizing that its functioning remains one of the main priorities in his mandate. According to the Minister, Commercial Court will increase the efficiency of handling business cases and will help to create a better environment for local businesses but also to attract foreign investors, thereby mentioning that he required the creation of a special mechanism that would deal exclusively with foreign investments. He mentioned that he is now in the final stages of preparing the Civil Code, which will soon be presented to the Government of Kosovo,
while highlighting that although the existence of corruption within courts is undeniable, Kosovo judicial system consists of prosecutors and judges that are highly committed to justice. The Minister stated that another priority he has is the increasing of accountability, where he mentioned vetting as a non-political and independent legal mechanism. During the forum, the Minister invited AmCham to become part of the working group on the draft law for Commercial Court, and stressed that he remains committed to cooperating in advancing the new law, which would finalize the establishment of the Commercial Court as soon as possible.

Erblina Krasniqi Prishtina, Attorney at Law and Legal Representative of Tregtia emphasized that within the existing courts in the country, including the one for economic affairs, the reviewing of cases can last for years thus resulting in serious damages for businesses. According to her, the founding of the Commercial Court comprising of judges with economic background is crucial for businesses and for attracting investments. Krasniqi Prishtina also highlighted the importance of including arbitration and mediation clauses in contracts, which give parties the opportunity to address various issues, while noting that ownership issues have so far resulted in some of the most problematic business matters. She further expressed satisfaction with the work done in raising awareness for arbitration and the advantages it offers to parties during legal processes.

2.44. International supply chain disruptions pose opportunities for Kosovo-Iowa

Prishtina, June 19, 2020 – The American Chamber of Commerce in Kosovo organized a virtual conference with the business organization Greater Des Moines Partnership from the U.S. state of Iowa, through which AmCham members had the chance to discuss potential opportunities for cooperation between the two countries, as well as the ways Iowa has dealt with COVID-19 in economic terms.

Arian Zeka, Executive Director of the American Chamber of Commerce, expressed satisfaction with the continuation of cooperation between Kosovo and Iowa as sister-states even during this time of pandemic.

“The COVID-19 pandemic has had a very negative impact on the country’s economy and private sector in general, but this could create new opportunities for U.S. or other foreign investments by investors who might leave China and Asia and look for markets that offer similar advantages”, stated Zeka.

Xhavit Gashi, AmCham’s External Advisor, stressed that the ties between Kosovo and Iowa are very valuable, noting that Kosovo can take a great example from the state of Iowa which has managed the COVID-19 situation brilliantly.

Jay Byers, CEO of Greater Des Moines Partnership, while emphasizing the severity of the impacts that COVID-19 has had on the U.S. economy and supply chains, stated that this pandemic has also created opportunities for reforms in the economy.

“The pandemic has highlighted new trends based on technological advancements, such as those for decentralized employment and telework,” Byers stated, adding that he and the Kosovo Consulate in Iowa had planned a trade mission in Kosovo this year, to seek opportunities for investment and cooperation between the two countries, while emphasizing that they are waiting to return to normalcy to develop this event.

Ryan Caroll, International Trade Manager at Greater Des Moines Partnership, stated that the COVID-19 pandemic has caused the U.S. unemployment rate to reach its highest levels, at a time when full employment was almost achieved. Caroll stressed that manufacturing businesses in Iowa have been facing supply chain disruptions since the outbreak of the pandemic in China, adding that Greater Des Moines Partnership has implemented various strategic plans to help businesses during this time. Furthermore, Caroll added that special emphasis was given to the education system, where various home-schooling programs were created. According to him, this pandemic has created a strong need to invest in virtual processes, and to reorganize work processes in general.

Artan Duraku, Chief of Mission of the Consulate of the Republic of Kosovo in Des Moines Iowa noted that ideally this month should have marked the largest visit of various industries Iowa businesses in Kosovo, especially businesses dealing with renewable energy, information technology and companies that may be interested in Kosovar wood processing industry. “The pandemic has limited investment opportunities
considering that all businesses around the world are facing problems, nevertheless Kosovo must seek opportunities from this global change,” stated Duraku.

2.45. Economic recovery to enable the restructuring of the country’s economy

Pristina, June 22, 2020 – The American Chamber of Commerce in Kosovo organized a virtual forum with the Prime Minister of the Republic of Kosovo Avdullah Hoti, where the recovery package and opportunities for economic restructuring including attracting American and other foreign direct investments were discussed. Funding for this virtual forum was supported by the European Bank for Reconstruction and Development, and the EU’s Enterprise Development and Investment Facilitation Program.

Arian Zeka, AmCham Executive Director, stressed that he is very pleased that several AmCham recommendations have found place within the Government’s recovery package, even though there has been no active communication between the parties. Zeka stated that this delicate time calls for greater dynamism and the full implementation of all measures of the emergency fiscal package, as well as of those in the recovery package. Speaking of recovery measures, Zeka mentioned that which focuses on the support of companies against obstacles that may arise from the pandemic, while stating that one of the main difficulties that companies have faced for a long time is the lack of legislation on electronic transactions. He also mentioned the need to make the U.S. economic zone functional.

“This project has been presented many times in the United States, while its non-functioning would be bad news in attracting American and other foreign investors, as it would indicate a lack of consistency in governance.” stated Zeka.

Prime Minister Hoti stated that it is of great interest to create the necessary social consensus for the governing program, which focuses on economic recovery.

“Our main focus remains economic recovery, but beyond that we have a pretty detailed program in certain areas of the economy,” stated Prime Minister Hoti.

He stressed that the COVID-19 pandemic has served well in laying a solid foundation for the development of Kosovo’s economy in the long run, and for the reconstruction of the mechanisms that ensure this development. Prime Minister Hoti expressed optimism for the recovery phase, stating that he expects the economic downturn to be smaller compared to the initial estimates.

According to the Prime Minister, the long-term plan is based on the development and promotion of investments in the private sector, and includes the possibility of privatization of public enterprises or other modalities. During this forum, Prime Minister Hoti unveiled in detail the Government’s plan for recovery, which focuses on private sector development and investment growth, as well as the restructuring of the country’s economy. He also spoke about the development of the special American economic zone, where he emphasized that efforts toward the development of such zone will be made, as it is a tool for attracting foreign direct investments. Asked about the economic aspect of the potential discussion in Washington, where the Prime Minister is invited to attend this weekend by President Trump’s special envoy for Kosovo-Serbia peace agreement, he stressed that a strong economic agenda could be a good boost for the dialogue process between Kosovo and Serbia.

“We are now at the point where we need to dialogue for mutual recognition and then for the normalization of relations in every aspect, economic and political, the aspect of circulation and of all issues which need to be normalized as two states which recognize each other,” stated Prime Minister Hoti.

2.46. Prime Minister Hoti discusses the support for the private sector

Pristina, June 30, 2020 – The Prime Minister of the Republic of Kosovo Avdullah Hoti met today with the Executive Director of the American Chamber of Commerce in Kosovo Arian Zeka and the President of Kosovo Chamber of Commerce Berat Rukiqi, to discuss the economic recovery program.

Prime Minister Hoti informed the leaders of the two economic chambers about the activities undertaken by the Government of Kosovo in order to implement the measures from the Emergency Fiscal Package and
preparations for the implementation of the measures from the Recovery Package which have already been approved.

During the meeting, they also discussed the challenges the private sector in Kosovo is facing due to the outbreak of the pandemic and the need to have a more dynamic communication and coordination of actions in order to overcome the current situation in which the private sector and the country's economy is in.

### 2.47. Central Bank, AmCham & KCC coordinate proposals for economic recovery

*Prishtina, July 2, 2020* – In the framework of regular meetings aimed at coordinating the mutual proposals for economic recovery following the outbreak of COVID-19, the Governor of the Central Bank of Kosovo met with the head of Kosovo Chamber of Commerce Berat Rukiqi and the Executive Director of the American Chamber of Commerce in Kosovo Arian Żeka.

Governor Fehmi Mehmeti presented Central Bank proposals for governmental institutions, by highlighting the need for greater support of the manufacturing industry in the country. At the same time, Governor Mehmeti elaborated on the provisions of the Guideline for Loan Restructuring due to COVID-19, expressing his confidence that commercial banks will support affected enterprises.

On the other hand, heads of both chambers of commerce elaborated on their respective proposals, which include recommendations for financial support and fiscal alleviations for businesses. The joint proposals by the Kosovo Chamber of Commerce and the American Chamber of Commerce in Kosovo also include points of legislative interventions which would enable the implementation of the proposed measures.

### 2.48. Banks facilitate access to finance for businesses affected by COVID19

*Prishtina, July 2, 2020* – The American Chamber of Commerce in Kosovo organized a virtual conference regarding access to finance for businesses. During this conference, representatives of commercial banks had the opportunity to present their current offers and products through which they aim to help businesses confront the crisis caused by the impact of restrictive measures for preventing the spread of the pandemic, as well as facilitate access to finances for businesses that may need new investments once the pandemic ends.

Milazim Abazi, Chairperson of AmCham’s Finance Committee, while speaking about the many problems businesses are facing at this time, with special emphasis on those regarding liquidity, stated that it is imperative for the private sector to be offered additional support from commercial banks beyond the measures agreed upon in cooperation with the Central Bank to postpone installments. According to Abazi, conform with bank capacities, local businesses also need easier access to finance in order to resume their normal operations.

Adonis Bllacaku, Head of Business Department at BPB Bank, said that this bank has created specific packages to facilitate access to finance for micro-businesses, a category which is in main focus for support by this bank. He stated that aiming to further support businesses, BPB has approved new limits of up to 30% of the usual limit for existing customers, thus enabling companies to access additional funds for the development and resumption of their activities. According to Bllacaku, this percentage of additional funds is not final and the bank is open to other options, while emphasizing that recommendations from businesses for further products development are more than welcome.

Lulzim Tahiri, SME Banking Department Manager at TEB Bank, said that there have been no interruptions in crediting processes within the bank even during this time, while extensions of the credit lines have been offered to TEB Bank’s existing clients. Haxhiu said that as a result of the crisis caused by COVID-19, beyond the postponement of loan installments TEB has also allocated funds for loans which are specifically dedicated to support businesses in covering payment of salaries and other operational costs, as well as funds for supplies, depending on the type of business. According to Tahiri, all support measures have been taken in accordance with the recommendations of the Central Bank of Kosovo.

Armend Haxhiu, Head of the Business Department at ProCredit Bank, stressed that this bank has not stopped the crediting processes either, while it has also offered the deferral of loan payments for customers experiencing financial difficulties, in accordance with the recommendations of the CBK. Haxhiu said that as
a result of the various difficulties created by the pandemic, ProCredit has entered agreements with international financial institutions which have provided credit lines to further support Kosovar businesses. He noted that ProCredit Bank in partnership with the European Bank for Reconstruction and Development has created an offer to support investments in electronic platforms for online sales which have proven imperative, especially during this time.

2.49. AmCham and Al-Trade Center plant a tree at the Beau Biden monument

Sajeva, July 4, 2020 – In honor of the 244th anniversary of the Independence Day of the United States of America, the American Chamber of Commerce in Kosovo and Al-Trade Center planted a tree at the monument of Beau Biden, the son of the former U.S. Vice President, Joe Biden. AmCham’s Executive Director, Arian Zeka, stated that Kosovo’s freedom and independence are closely linked to the lasting friendship with the United States of America.

“There is no better way to mark the 244th anniversary of the Independence of the United States of America than by remembering those who have contributed to the strengthening of the state of Kosovo and its rule of law sector, as is the case with Beau Biden,” stated Zeka. He thanked Al-Trade Center for the initiative and contribution.

Al-Trade Center Deputy General Manager, Argtim Çelaj, said that the United States of America are the root of Kosovo’s freedom, so in this initiative with AmCham they have decided to name the tree they planted “Freedom Tree”. According to Celaj, it is a special honor for Al-Trade Center to invest in such activities.

The Agency for the Management of Memorial Complexes has announced that from next year this monument will fall under their protection.

2.50. Prime Minister Hoti discusses the economic recovery with AmCham

Prishtina, July 4, 2020 – With the aim of discussing the concerns and concrete proposals of the private sector after the outbreak of COVID-19, the Prime Minister of the Republic of Kosovo Avdullah Hoti, along with the Executive Director of the American Chamber of Commerce in Kosovo Arian Zeka and the President of the Kosovo Chamber of Commerce Berat Rukiqi organized a virtual conference with enterprises of different sizes and sectors operating in Kosovo.

Prime Minister Avdullah Hoti said that the Government is awaiting the passage of budget review by the Assembly, and the continuation of implementation for measures from the emergency fiscal package, as well as the start of implementation of measures from the recovery package which is now part of the governing program.

“On principle, we have agreed to have an economic recovery package which helps businesses and families to the extent of the impact the pandemic has had. The assessments of the Central Bank and the IMF are for a 5% contraction since the beginning of the pandemic,” stated Prime Minister Hoti, adding that the fund for the economic recovery is about 400 million euros, which is close to the economic fall. He said that they will support commercial banks in maintaining the interest rates offered before the outbreak of the pandemic.

The President of Kosovo Chamber of Commerce Berat Rukiqi, said that the chambers of commerce have been in contact with the Prime Minister and the Government to voice the concerns of the private sector and recommend actions that would enable the implementation of the measures of the recovery package. On the other hand, the Executive Director of the American Chamber of Commerce in Kosovo Arian Zeka explained that both chambers of commerce have coordinated proposals with the Central Bank for economic recovery after COVID19, and those were also presented to the Government and relevant ministries.

Business representatives from various sectors such as food and clothing production, food trade, media, gastronomy, fuel trade, and physical security, addressed their concerns that were mainly related to the decline in consumption and difficulties with liquidity, access to finance, and export support.
2.51. Minister of Finance unveils plans to support the private sector

Prishtina, July 10, 2020 – The Minister of Finance Hykmete Bajrami participated in a virtual forum with business representatives organized by the American Chamber of Commerce in Kosovo, during which private sector support and most affected businesses by COVID19 pandemic which has caused an unprecedented cessation of economic activities and consequently stagnated the economic development of the Republic of Kosovo were discussed.

The Minister of Finance and Transfers, Hykmete Bajrami, said that the Ministry of Finance is awaiting the approval of the reviewed budget from the Assembly, so that it can execute the funds provided in the emergency fiscal package, as well as those in the recovery package. Minister Bajrami clarified that the Recovery Package respectively includes the facilitation of businesses’ access to finance.

"In the Economic Recovery Package, we have focused on access to finance and such instruments from which businesses can benefit based on the same principles and criteria, but this can also be a long-term benefit. We are working with the Credit Guarantee Fund to open windows for some sectors. We have taken the responsibility to increase the capital of the Credit Guarantee Fund up to 100 million euros during this year and the next, and the risk coverage for these loans up to 80%. Furthermore, as a Government, during the pandemic we will fully take on the fee charged by the Credit Guarantee Fund," stated Minister Bajrami, adding that with the decision of the Government of the Republic of Kosovo and the Prime Minister Avdullah Hoti, citizens will have the opportunity to withdraw 10% of their savings from the pension fund on a voluntary basis.

Minister Bajrami said that the information technology sector will have the attention of the Government due to the many opportunities that this sector offers for the employment of Kosovo’s youth, emphasizing that the Ministry she leads and the Government of Kosovo in general are interested in incentives the state can provide for the empowerment of technology and digitalization sector through investments and training. The Minister further clarified that a working group has been established to compile the administrative instruction for tax breaks for new investments, while at the same time during the upcoming days the excise calendar which would increase the predictability among businesses which are subject to excise duties will be compiled. She also stated that in order to support the gastronomy sector, the proposal from the business community for reducing the value added tax from 18% to 8% is being reviewed.

AmCham member business representatives were an active part of this forum by giving their recommendations on the support of this Ministry and the State in general, as well as the most effective ways to help the private sector and Kosovo’s economy get out of the crisis caused by the pandemic. Some of the issues raised by the representatives of the private sector were the contraction of the budget and capital investments, the reduction of the number of employees in enterprises and the cooperation between Government bodies and the private sector in Kosovo.

2.52. AmCham & Gjirafa organize a U.S. Independence virtual bash

Prishtina, July 10, 2020 – On the occasion of the 244th anniversary of the U.S Independence, the American Chamber of Commerce in Kosovo in cooperation with the member company Gjirafa organized the Independence Month Bash, accompanied by the sounds of American songs performed by the band String.

AmCham Executive Director, Arian Zeka, congratulated all of AmCham’s friends and partners on the 244th anniversary of U.S Independence, by raising a toast to the enduring partnership between Kosovo and the United States of America. Zeka also expressed his gratefulness for the cooperation between AmCham and Gjirafa, which has produced different activities during this time, despite the negative impact that the pandemic has had on all operators, businesses, and the economy in general.

Mërgim Cahani, Founder and CEO of Gjirafa, stressed the importance of preventive measures against the pandemic, and called all citizens and institutions to maintain the physical distance, wear protective masks and minimize contacts in order to pass this situation as soon as possible with minimal consequences.

During this event, His Excellency Philip Kosnett, U.S. Ambassador to Kosovo, through a special video sent for this event expressed his gratitude that Kosovo and the United States share many of the same values,
while emphasizing the importance of cooperation between the two countries for the further development of Kosovo.

“I spent this year’s Fourth of July reflecting on the ideals of our founders, and how the United States and Kosovo share many of the same values. Over the years, those common values have guided the United States and Kosovo to stand together in the face of many challenges—in the struggle for Kosovo’s independence, in the aftermath of the September 11th attacks, and in the fight against global terrorism. And we stand together now in the face of a global pandemic. In facing these challenges, the American Chamber of Commerce in Kosovo has been a steadfast leader and a link in the cooperation between the United States and Kosovo.” stated Ambassador Kosnett, while also reminding of the importance of preventive measures against the spread of COVID-19 pandemic.

2.53. AmCham signs a Memorandum of Understanding with EEN Kosovo

Prishtina, July 17, 2020 – The Executive Director of the American Chamber of Commerce in Kosovo Arian Zeka and the Director of Enterprise Europe Network in Kosovo Ahmet jetullahu signed a Memorandum of Understanding aimed at establishing cooperation for the purpose of implementing specific activities related to EEN Kosovo, during 2020-2021.

During a virtual meeting organized by AmCham and representatives of EEN Kosovo, AmCham members were informed upon the membership process in this network of enterprises, and the opportunities offered for their development, empowerment and promotion towards establishing partnerships with enterprises which operate within the framework of this network in the European Union and beyond.

Through the Memorandum of Understanding, member businesses of the American Chamber of Commerce will receive support from EEN Kosovo in creating and uploading their profiles to the EEN platform. Furthermore, EEN Kosovo will support AmCham members towards various COSME grant calls and related opportunities such as internationalization, innovation, export promotion, technology, know-how transfer, etc.

The Republic of Kosovo became part of the Enterprise Europe Network in May of this year through a grant agreement with the Executive Agency for Small and Medium Enterprises (EASME) within the COSME Program for 2020-2021.

2.54. Digital presence essential for a successful business

Prishtina, July 24, 2020 – The American Chamber of Commerce in Kosovo organized a virtual training on e-commerce and digital public relations with the CEO of Hallakate, Valon Canhasi. Through this training, AmCham members had the opportunity to further develop their knowledge about online sales and digital presence, as well as explore ways the internet in general can be utilized in the field of sales.

Valon Canhasi, CEO of Hallakate, shared with the participants of this training the latest statistics of internet penetration in Kosovo, which has recently reached the highest numbers ever. Canhasi stressed that businesses are already in a constant struggle to attract their costumers’ attention by promoting their services and products online, always adapting to their targeted audience and following the latest trends and changes in consumer behavior.

He also pointed out that the concept of e-commerce, although a relatively difficult process to be achieved, creates many facilities in the field of doing business as it allows easier access to the products and services that businesses offer at all times without the need for physical contact. According to Canhasi, having a digital presence also facilitates business management by providing access to data remotely.

During this training Canhasi shared with the participants a strategy for creating an e-commerce platform and also outlined the actions that must be taken towards creating a successful platform step by step.

According to him, this strategy includes market identification, thorough analysis of customer demand and needs, and adapting business promotion in accordance with the platforms their targeted audience uses the most.
He also emphasized on the need to raise awareness about the opportunities banks and businesses offer for online sales, especially during this time when physical contact with customers is almost completely limited.

### 2.55. Local economy experts are optimistic about Kosovo’s economic recovery

**Prishtina, July 27, 2020** – The American Chamber of Commerce in Kosovo organized a virtual forum in which economic recovery prospects, the steps forward for ensuring a future for businesses in different industries as well as the avoiding of a deeper economic crisis that would cause the bankruptcy of several businesses, especially SMEs were discussed. Funding for this virtual forum was provided by the EBRD and the European Union’s Enterprise Development Investment Facility.

Michael Gold, Managing Director at Crimson Capital stressed that most of the programs set by the Government and the support from international donors are quite positive for the country’s economy, nevertheless, the more their implementation is delayed the more damage accrues. According to Gold, in order to address the problems businesses are facing with liquidity, it would be good to encourage the use of non-traditional financial instruments such as factoring and leasing among others. He mentioned that businesses are usually not even aware of such instruments, while the legal framework for their use exists in the country. According to Gold, in order to ensure economic recovery, the Government of Kosovo must give importance to proper health management of the pandemic, and take measures for development of the most affected sectors. He was quite optimistic about the country’s economic recovery if all stakeholders were to work hard and overcome pandemic problems, while saying that sectors such as ICT, finance and agriculture will have opportunities to strengthen further.

Leonora Kusari, Principal Manager at the European Bank for Reconstruction and Development Advice for Small Businesses, expressed concern about the inaction of institutions and the delay in implementation of the necessary measures to support the private sector, emphasizing that small and medium enterprises are particularly at risk for survival during this time. According to Kusari, the Government must respond with specific support programs targeting specific sectors, while emphasizing that the service sector which includes many small businesses, is among the most affected. She stated that there is a need to blend different financial instruments and create incentives which encourage investments, including grants, while adding that not only business processes but also those of the Government must be digitalized urgently. Kusari pointed out that the EBRD has many instruments that they are trying to put into use, but they are not meeting market demand for these instruments, in which case she reiterated the need to educate businesses regarding the various financial instruments that exist in the country. She stated that Kosovar businesses have always been survivors, and have never relied on government assistance, but now is the time for the latter to offer support, while expressing that she strongly believes in the country’s economic recovery.

Besa Ilazi, Project Management Specialist at the USAID Office for Economic Growth, stressed that even before the pandemic broke out in Kosovo, one of the biggest problems reported by citizens was unemployment, and the current situation has only worsened this phenomenon. Ilazi stressed that from USAID’s point of view, many companies must be provided with assistance in order to avoid bankruptcy. Ilazi also stressed the importance of public debt in this critical situation, especially considering that the country has no monetary policy, where she said that the Government should focus on the best ways to achieve economic recovery. According to her, any kind of development for economic recovery without proper management of the health crisis will be meaningless therefore both must occur simultaneously. Finally, Ilazi said that adapting to this new environment is inevitable, thus she is very positive regarding the country’s economic recovery.

### 2.56. Minister of Trade and Industry pledges to address business demands

**Prishtina, July 28, 2020** – The American Chamber of Commerce in Kosovo organized a virtual conference with the Minister of Trade and Industry Vesel Krasniqi, during which along with representatives of member businesses of the chamber the future of Kosovo’s economy post COVID-19, as well as Government plans for support to the private sector were discussed.

AmCham Executive Director, Arian Zeka, stressed the need to approve the budget and the draft law on economic recovery, the lack of which continues to cause the stagnation of recovery. Zeka also pointed out the importance of strategic investors and foreign investments which are vital to ensure the economic
development of the country, while recommending the Minister to prioritize reviewing the applications of strategic investors.

Minister Vesel Krasniqi stated that despite the desire to allow economic activities operate, as a result of the increase in number of COVID-19 infections, the situation has worsened and taking the necessary measures has been inevitable. He stressed that to ensure better implementation of the measures, administrative instructions have been created in accordance with the recommendations of health institutions and groups for inspecting activities and implementation of protective measures within the gastronomy sector have been established.

Minister Krasniqi further added that the budget review and finalization of the draft law on economic recovery of Kosovo are in the final stages of processing in the Assembly, while emphasizing that after the approval of these draft laws within a short time the way to implementing the Emergency Fiscal Package and that for economic recovery will be paved.

The Minister also spoke on the issue of strategic investments, where he said that the approval of the status of strategic investor has been dragged due to institutional vacuums, and the fact that so far only two companies enjoy this status is painful, because in this way potential investors can consider neighboring countries instead of Kosovo at a time when every investment is necessary.

2.57. AmCham establishes Hospitality and Tourism Committee

Prishtina, July 30, 2020 – American Chamber of Commerce in Kosovo has established the Hospitality and Tourism Committee, aimed at addressing both short-term and long-term challenges of these sectors, including those related with the economic recovery phase following the outbreak of COVID-19. Members of this committee elected Erëmal Bajrami from KFC as their chairperson. Bajrami expressed his willingness to lead the committee through putting his utmost efforts in order for the committee to reach its goals and objectives, as well as to overcome the economic crisis caused by the pandemic as soon as possible.

Through this committee concrete member business requests and positions will be harmonized, aiming to facilitate the environment of doing business in the long term, some of which include reducing the VAT for gastronomy sector, advocating for the establishment of licensing agencies and improving the image of Kosovo regarding tourism, among others.

Hospitality and Tourism Committee will serve as a catalyst for generating concrete recommendations to governmental institutions and all other stakeholders. Members of this committee have agreed upon organizing regular meetings in order to push their demands further and facilitate the combating of COVID-19 in an economic sense.

2.58. Businesses representatives discuss economic recovery with Minister Kuçi

Prishtina, August 10, 2020 – The American Chamber of Commerce in Kosovo organized a virtual conference with the Minister of Economy and Environment, Blerim Kuçi, during which the recovery of the country’s economy and Government’s opportunities for private sector support were discussed. During this conference, Minister Kuçi spoke about the strategies to achieving genuine economic recovery, Government’s support for private enterprises of all sectors, as well as the necessary changes in the legal aspect for enabling the implementation of recovery measures.

AmCham’s Executive Director, Arian Zeka, called for acceleration of the procedures for approving the draft laws that provide support to the private sector, while emphasizing that AmCham members have consistently provided recommendations to the Government in order to help the country’s economy during this situation of crisis.

Minister Kuçi emphasized that the work of the Ministry of Economy and Environment is based on the curriculum for economic reform 2020-2023, which also contains nine measures intended for economic recovery, through which it is aimed to provide support to all private enterprises affected by the crisis caused due to the outbreak of the pandemic. According to Minister Kuçi, the draft law on interim measures to alleviate the effects of COVID-19 includes facilitating access to finance, reducing the tax burden, supporting employment, subsidizing the wages of the private sector workers, and overall stimulation of
aggregate demand. Minister Kuçi emphasized that considering the impact of COVID-19, capital investments foreseen for this year have been halved in order to create the necessary funds for economic recovery. He also mentioned that despite recent political developments in Kosovo, the Government remains focused on implementing the measures for economic recovery, while stating that the strategies used are in coordination with the mechanisms and practices of international institutions.

During this conference, representatives of AmCham member companies, as well as the chairpersons of various committees within the Chamber, had the opportunity to provide a more detailed overview of the impact COVID-19 pandemic has had on their activities, as well as recommendations on the support the private sector needs.

Entrepreneur Ardian Hoxha, Chairperson of AmCham's Digital Economy Committee stressed that Kosovo needs smart investments in the information technology and communication sector, which according to him has the greatest potential for growth but is hampered by the most basic barriers, citing the urgent need to advance the Draft Law on Electronic Identification and Trusted Services in Electronic Transactions.

Avni Krasniqi from Delfin, at the same time being Chairperson of AmCham Trade and Customs Committee, emphasized that implementing the measures to aid the private sector must be done as soon as possible in order to avoid further job losses.

Milazim Abazi from BDO Kosova, Chairperson of AmCham Finance Committee, stated that the Government must strongly support the private sector and facilitate the implementation of projects and the provision of grants by international financial institutions in Kosovo.

2.59. Government to consult with hospitality sector prior to any decisions

Pristina, August 12, 2020 – The Government must closely consult the business community before taking any measures that have a direct impact on these businesses. This was stated, among other things, at the regular meeting of the American Chamber in Commerce in Kosovo’s Hospitality and Tourism Committee.

Members of this committee consider that speeding up the voting and implementation of the economic recovery package proposed by the Government is very necessary, because many businesses in this sector risk being closed, thus resulting in large losses of jobs. Furthermore, according to them, another important issue that must be addressed is the one regarding uncertainties of working in open spaces after September, when climatic conditions will make such a thing impossible.

AmCham’s Hospitality and Tourism Committee emphasizes that implementing the decisions for preventing the spread of the pandemic, increasing inspective capacities, as well as not applying collective restrictions to all enterprises due to the non-implementation of measures done by a few is highly necessary. Furthermore, members of this committee also call for lifting of the measure to restrict movement after 22:30, which according to them has not proven to be effective.

This committee aims to address the needs of the hospitality and tourism sector both in the short term, for the phase of economic recovery after the outbreak of the COVID-19 pandemic, as well as in the long term.

2.60. Businesses demand swift implementation of recovery measures

Pristina, August 18, 2020 – The American Chamber of Commerce in Kosovo organized a virtual conference with the Deputy Prime Minister Besnik Tahiri, during which Kosovo’s economic recovery was discussed. During this discussion, representatives of AmCham member businesses had the opportunity to express their concerns and provide relevant recommendations for the support needed from the Government.

Deputy Prime Minister of the Republic of Kosovo, Besnik Tahiri, emphasized the level of damage that the COVID-19 pandemic has caused to the functioning of the state in general as well as the negative impact on the sphere of public health and the economy. According to the Deputy Prime Minister, the main problem they have faced so far has been securing sufficient budget to close various gaps and the drastic decline in state revenues, where he added that within the strategy for economic recovery specific funds have already been approved that provide access to finance for all parties affected. Tahiri stated that the Government’s decisions related to economic activities, although in close communication with the private sector, have
been quite difficult to take due to the need to also maintain the public health. He stated that through the Draft Law on Economic Recovery, with which the public is already familiar, they aim to stimulate the circulation of money in the country’s economy by disbursing funds to the private sector and social schemes.

“Now we are in August, and our goal is that in these two months, September and October, with the passage of the Law for Economic Recovery to help as quickly and efficiently as possible, based on the principles and decisions we have taken, the disbursement of funds to the private sector, and also to social schemes”, emphasized Deputy Prime Minister Tahiri.

Erëmal Bajrami, General Manager at KFC and Chairperson of AmCham’s Gastronomy and Tourism Committee, spoke about some of the challenges this sector is facing. According to him, the gastronomy industry’s biggest challenge is the restriction of movement of citizens until 22:30, as well as the ban on using swimming pools in outdoor spaces, while indoor pools are allowed. He also spoke about the value added tax for this sector, which in Kosovo is the same as VAT for other products or services, when according to him, in fact it should be lower as it is in other countries. Among other things, he presented the documents of the Gastronomy and Tourism Committee for support for enterprises in this sector, which is one of the most affected in Kosovo.

Committee chairpersons and AmCham members stated that although the monetary amount of the recovery package is more modest than expected, the implementation of the recovery package is urgently needed.

They appealed to the deputies of the Assembly of the Republic of Kosovo to quickly approve the Draft Law on Economic Recovery, as well as other draft laws of economic nature.

Businesses stated that in many sectors the current situation is more difficult now than after the imposition of restrictive measures, despite the alleviation of measures, and the MPs negligence is leading the country towards a deep economic depression.

2.61. Infrastructure projects are imperative to country’s economic development

Pristina, August 17, 2020 – The American Chamber of Commerce in Kosovo organized a virtual forum with the Minister of Infrastructure Arban Abrashi. Boosting economic recovery through infrastructural projects which can increase the quality of life and the number of people employed, and which undoubtedly have a positive impact in attracting foreign investors were discussed during this forum.

AmCham’s Executive Director, Arian Zeka, stressed the importance of the Ministry of Infrastructure for Kosovo’s economic development, especially during the phase of recovery from COVID-19, through the creation of jobs and other multiplier effects.

Minister Abrashi emphasized that the Ministry he leads is oriented towards developing mechanisms that have an immediate aggregate effect on Kosovo’s economy in general, with special emphasis on capital investments. According to him, the Ministry of Infrastructure will aid the economic development by investing in infrastructure, road and air transport, railway lines, and by removing bureaucracies such as expropriation which hinders the development of already contracted projects. Minister Abrashi also said that the expansion of roads and the construction of segments which connect to highways are being treated as a priority, aiming to avoid the overloading of national roads.

According to Minister Abrashi, there are five major infrastructure projects that would have a very positive effect on the country’s economy, which will be presented in the U.S. in September. He added that these projects, in particular the Trude-Merdare-Nis highway, have already attracted interest from U.S. financial institutions as well as the European Bank for Reconstruction and Development (EBRD), and will be implemented once the construction plan is finalized. Regarding air transport, he stated that a request has been made for a 30% reduction in taxes at Prishtina airport, in order for it to be competitive with other airports in the region. Beyond that, Abrashi stressed that there is the idea of subsidizing a percentage of the ticket prices for passengers, thus affecting the development of tourism and the country’s economy. He stressed that the request to sign a memorandum of understanding for stationing Lufthansa aircraft at Prishtina airport is being addressed, while noting that such requests have been received by other international companies as well.
Regarding the railways, Minister Abrashi mentioned that recently they have been talking about a Kosovo-Albania railway connection, which has the potential to bring large revenues to the country’s budget in a five-year period. He placed special emphasis on improving the freight transport processes, which was also a request of AmCham business representatives. According to him, the road transport of goods is being analyzed and is in the process of gathering information, handling giving bilateral and transit permits for export to third countries, and efforts are being made towards making Kosovo a member of relevant foreign institutions that address the needs of transporters, in order to create facilities for the development of this sector’s activities.

During this forum, AmCham business representatives addressed the challenges they are facing and gave their recommendations on changes that must be implemented in order to ensure a better infrastructure.

2.62. Agriculture remains a key contributor to Kosovo’s economic development

Prishtina, August 27, 2020 – The American Chamber of Commerce in Kosovo organized a virtual forum with the Minister of Agriculture Besian Mustafa, where the power of agriculture to drive the economy was discussed. This forum was funded by USAID Agricultural Growth and Rural Opportunities Program (AGRO).

Minister of Agriculture Besian Mustafa, emphasized that the ministry he leads is currently implementing two programs that provide financial support and liquidity to agribusinesses through grants or subsidies, which aim to promote the development of the agricultural sector and the country’s economy. He pointed out that the biggest challenges that agri-producers are facing during the COVID-19 pandemic come from the decline in sales of agricultural products, but nevertheless he expressed his satisfaction that this sector has increased its exports to international markets during this period. According to the Minister, in order to ensure that agriculture will have continuous development, in addition to doubling the budget for subsidies, investments are being made in irrigation. He stressed that through a cooperation agreement with the World Bank, an investment in creating a master plan of the irrigation network which according to him will identify agricultural areas that need irrigation is nearing completion. Further, the Minister spoke about the plans for the creation of a 7-year strategy for the development of agriculture, where he added that one of the priorities within this strategy is creating funds for agricultural security, taking into account destructions caused by climatic conditions. Finally, he added that the agricultural sector has great potential and a positive impact on Kosovo’s recovery and economic development.

Fatmir Selimi, the Chief of Party at USAID AGRO Program, stressed the importance of agriculture in Kosovo’s economy, citing the positive impacts this sector has. Selimi emphasized that the approach of the program he leads focuses on the introduction of new agricultural technologies, strengthening of relations with strategic partners and increasing of the consumer trust of local, regional, and international consumers in Kosovar products. He mentioned that the Government of Kosovo has allocated a fund of three million euros for subsidies, through which it aims to increase farmers’ trust in state institutions, create better conditions for doing business, and promote local products within the country. According to him, it is imperative to increase awareness about the importance of the agricultural sector as well as to encourage the Kosovar youth to become part of it, because agriculture has great potential for development.

Mark Wood, Senior Advisor at USAID AGRO Program, spoke of the achievements and radical transformation that agriculture in Kosovo has had over the last decade thanks to the contribution of various international projects such as that of the United States Agency for International Development (USAID). According to him, among these achievements is the provision of seeds and fertilizer for the development of agricultural practices, as well as the increasing of the level of knowledge regarding the modern standards of agriculture, which among other things has changed the mentality of farmers about their work and material gains from agriculture. Wood pointed out that the change in the negative outlook on agriculture as a low-income sector has paved the way to increasing the quality of domestic products, which has affected their penetration in foreign markets. He expressed his satisfaction that with these radical changes international markets are now turning to Kosovo to meet their needs for the products this sector offers. According to him, the Government must focus on supporting farmers and strategic partners in order to promote the image of Kosovo as a country with great potential and high-quality agricultural products.
2.63. Businesses discuss the Pension Fund investment strategy

Prishtina, September 1, 2020 – The American Chamber of Commerce in Kosovo organized a virtual forum during which the investment strategy of the Pension Fund as well as the opportunities offered for the private sector in Kosovo were discussed. During this forum, AmCham member business representatives had the opportunity to receive information about the structure and criteria of this strategy.

Hekuran Murati, Chairperson of the Parliamentary Committee on Budget and Transfers, while emphasizing that the supply of financial products in Kosovo is somewhat limited, stated that companies need to consider investment needs based on their life cycle. According to Murati, access to finance is usually more problematic for startups compared to more established businesses which may be more predictable for the lending sector. He emphasized that due to the limitations deriving from the Law on Central Bank of Kosovo, any financial activity must be licensed by this institution. According to him, while this protects the consumer especially considering the low levels of financial literacy, it also limits innovation within the finance sector. Regarding investments, Murati stated that a great challenge is to establish links between individuals or entities with investment funds with those who need investment. He further stated that the Pension Fund encounters problems for direct investments in the private sector, due to the inability to deal with cases of individual lending, difficulty in determining the structure of the investment, as well as the principle of valuing the return on investment.

The Managing Director of the Pension Savings Fund, Adrian Zalli, stressed that this fund currently has assets worth over two billion euros. According to him, pension assets of the Kosovo Pensions Savings Trust shall only be invested in order to maximize returns on investment solely for the benefit of participants and beneficiaries; whereas, the goals of prudent investment for pension assets are defined by the Law on Pension Fund. Zalli stated that these principles must guarantee the security of pension assets, diversity of investment, maximum return consistent with security of pension assets and maintenance of adequate liquidity. He emphasized that the principle of the Board of Directors of this Fund is to invest as much money in Kosovo as possible, through participating in the securities market, which then the Government of the Republic of Kosovo invests where it’s most needed. According to Zalli, the Pension Fund is currently in the process of creating separate portfolios for different age groups of contribute payers, through which it will be easier to manage the investment risk for contributors.

Mërgim Cahani, CEO of Gjirafa, while speaking of a ten-year period noted that now the companies with the highest value are undoubtedly those in the technology sector. Cahani mentioned the fact that the greatest potential for the economic development of the country lies precisely in this sector, therefore it should be supported more through the creation of investment opportunities within the state. Cahani stressed that the lack of opportunities orients companies towards foreign investments, which causes the decrease in revenues to the state budget, since the return of foreign investments does not remain in circulation within Kosovo but returns to the investor.

Valdrin Kasumaj, Board Member of the Kosovo Pension Trust stressed that restrictions within the legal mandate of the Pension Fund affect its ability to support businesses in Kosovo, while adding that during 2020 the Fund’s participation in the securities market has increased.

2.64. Proper corporate governance contributes to sustainable development

Prishtina, September 9, 2020 – The implementation of corporate governance principles in Small and Medium Enterprises (SMEs) contributes to sustainable economic development by increasing the performance of these companies and facilitating their access to external capital. This was stated during a workshop organized by the American Chamber of Commerce in Kosovo, with the support of the European Bank for Reconstruction and Development (EBRD).

AmCham Executive Director Arian Zeka, stressed that AmCham regards proper corporate governance as highly important as it has a positive impact on improving the prospects for access to finance, fighting of corruption and enterprise management in general. Meanwhile, Vlora Avdiu-Burani, Representative of the EBRD Small Business Advice program stated that this program remains open to providing support for local SMEs regarding corporate governance, while inviting businesses to address the challenges they face through this program.
The workshop was led by Visar Dobroshi, Managing Partner at Recura Financials. Dobroshi emphasized the main pillars on which Corporate Governance must be based, such as responsibility, accountability, correctness, and transparency.

He mentioned the benefits companies enjoy from a good Corporate Governance strategy which ensures continuity and further empowerment of enterprises, attraction of investors, employee retention and increased corporate performance. According to him, in order for corporate leaders to ensure the best possible management of their activities they must create a good and flexible working environment as well as ensure the involvement of their staff in the creation of company policies among other things.

He further mentioned some of the challenges entrepreneurs face today such as attracting and retaining the right staff within the company and adapting to the changing expectations of the new generations. Dobroshi also emphasized the different types of decision making as a key tool for planning corporate continuity, where he singled out joint decision making which creates synergy and combines the talent and experience of all individuals which make up the company. He also delineated the key steps for diagnosing corporate action planning, while stressing that companies with a good management plan are able to better face various challenges.

Representatives of business members of the American Chamber of Commerce who were an active part of this workshop had the opportunity to discuss upon corporate governance as well as offer their perspectives on the strategies implemented by the companies they represent.

### 2.65. AmCham presents EBRD's Financial Management Enhancement Program

**Prishtina, September 10, 2020** – Better management and accurate reporting of corporate finances has taken on an especially significant importance during the COVID-19 pandemic period, which has caused unprecedented disruptions to the country’s economy. This was said during a virtual forum organized by the American Chamber of Commerce in Kosovo, in cooperation with the European Bank for Reconstruction and Development (EBRD) and Ernst and Young Albania and Kosovo (EY), during which the EBRD Financial Management Enhancement Program as well as the potential support offered by Ernst and Young were presented.

Arian Asolli, Analyst at EBRD Business Advice program, highlighted the goals of this program, which include improving the capacity of local companies for financial management and reporting, in order to create facilities for direct or indirect access to EBRD loans, as well as increasing the attractiveness of businesses for domestic and foreign investors. Asolli also elaborated on the criteria that must be met by businesses for inclusion in this program, while also mentioning the ideal profile of companies this bank is looking for. He also announced that the EBRD support will be 75% of the total costs.

Emel Visha, Manager in the office of EY Kosovo and Albania for Strategies and Transactions, stressed that within this program, EY has used its structures to create the Enterprise Resiliency model, which is divided into three stages that include responding with urgency now, preparing for next and then thinking beyond, taking into account the disruptions caused by COVID-19. She emphasized the key points for business intervention where this company can provide assistance, mentioning the preparation of a business plan, liquidity forecasting and scenario analysis, as well as the preparation of the necessary documentation for processes of application for financial aid. Furthermore, Visha also spoke about the various issues that businesses are facing nowadays as well as the support that EY can provide in addressing them.

Shkëmb Gashi, Manager in the Audit Department at Ernst and Young Albania and Kosovo spoke about the current state of Kosovo's economy, drawing parallels between the pre-pandemic situation and the current one, assessing the impact that the COVID-19 pandemic has had on business activities and the economy in general. He also highlighted one of the most primary problems entrepreneurs face today, as is the concept of going concern, adding that EY provides support through various macroeconomic analyzes, specific enterprise factors that may be affected by the pandemic and other analyzes as needed.

### 2.66. Manufacturers seek for a dedicated manufacturing credit guarantee fund

**Prishtina, September 17, 2020** – Manufacturing companies play a key role in the development of the country's economy. While the pandemic time has created new opportunities for the penetration of local
products in international markets, Government support for this sector remains much needed. These were said, among other things, during a virtual forum organized by the American Chamber of Commerce in Kosovo, where the state of manufacturing sector was discussed with local manufacturers.

Sami Dida, Chief Executive Officer of cable producing company Proton Cable, said that the situation created following the pandemic outbreak has greatly affected the activity of this enterprise, while mentioning that almost all industries have faced a domino effect. According to him, one of the biggest problems Proton Cable encountered has been the increase in the price of raw materials at a time when sales were declining. Dida stressed that the Government of Kosovo undoubtedly has a role to play in assisting manufacturing companies, stating that with some very simple measures, such as halving the VAT, it can positively affect the manufacturing sector by enabling competitive advantages compared to other countries. He also added that while it is good that the Government has focused on helping the agriculture and information technology sector, other parts of the industry have been left out and this could cause imbalances to the economy. He also spoke about the need to control the goods entering Kosovo, noting that substandard goods are being sold in our market and are price competitive.

Kreshnik Jakupaj, Representative from the hygienic paper production company Medruplast, said that this company has withstood the impact of the pandemic a little easier, since the high demand for its products has enabled Medruplast to increase exports. Nevertheless, according to him, the pronounced lack of diaspora coming to Kosovo as well as the changed consumer behavior due to the need to minimize costs, has obviously created difficulties for this company as well. Jakupaj asserted that he hopes the Draft Law on Economic Recovery be approved without further ado, in order to help the country's fragile economy. He further mentioned the need to prioritize local goods, especially in state tenders.

Kujtim Gjevori, CEO of Scampa plastic bag manufacturing company, as well as Chairman of AmCham Manufacturing Committee, spoke about the opportunities of the manufacturing sector for outside border expansion, because according to him this period has created the need to increase risk diversification for foreign companies, paving the way for the establishment of possible partnerships with Kosovar companies. He also stressed the need to address the issue of VAT payment for raw materials purchased domestically, as well as the lack of a regulator to control payment delays. Gjevori gave special importance to the issue of credit guarantee for manufacturing companies, where he noted that up to 80% guarantee of loans dedicated to manufacturers should be provided, considering the contribution of this sector to the country’s economy. He also mentioned the opportunities created by the agreement for the normalization of economic relations between Kosovo and Serbia, stating that the prompt approval of the Draft Law on Economic Recovery is necessary.

2.67. **Washington Agreement will accelerate Kosovo’s economic development**

*Prishtina, September 23, 2020* – The passage of the Draft Law on Economic Recovery by the Assembly of Kosovo and the implementation of the projects deriving from the Washington Agreement on Economic Normalization between the Republic of Kosovo, and Serbia, were some of the topics discussed during a meeting between the Prime Minister of the Republic of Kosovo Avdullah Hoti, with the Executive Director of the American Chamber of Commerce in Kosovo, Arian Zeka, the President of the Kosovo Chamber of Commerce, Berat Rukiqi as well as representatives of member businesses of both chambers of commerce.

Prime Minister Avdullah Hoti stated that the Economic Normalization Agreement with Serbia has created a new momentum, through which Kosovo can become a vibrant area with thousands of new jobs within the next five years. Hoti also stressed that it is imperative for the Government to collaborate with chambers of commerce and the business community towards revitalizing the country’s economy, especially following the agreement. While speaking about the opportunities deriving from the Draft Law on Economic Recovery, Prime Minister Hoti appealed to all parliamentary groups to vote for the same as soon as possible.

"This law, together with the Economic Recovery Fund, by the end of the year would make available a total fund of around 700 million euros to Kosovo businesses and citizens, whereby we will comply with our portion of the Economic Recovery Fund within a month, in the amount of 365 million euros, whereas the remaining amount will come from the Law on Economic Recovery", stated Prime Minister Hoti.
During this meeting, the need to meet the legislative agenda in order to facilitate the activity of businesses was also discussed, while representatives of member businesses of both chambers of commerce had the opportunity to offer their perspectives on the current state of businesses in the country.

2.68. DFC delegation meets with the American Chamber of Commerce in Kosovo

Prishtina, September 25, 2020 – The U.S. International Development Finance Corporation (DFC) delegation led by Caleb McCarry, Counselor to DFC’s Chief Executive Officer, John Jovanovic, Managing Director for Western Balkans and Aegean for DFC, and Brian Martalus, Director for Relationships for Europe and Eurasia, DFC, met with the American Chamber of Commerce in Kosovo’s Executive Director Arian Zeka and the Secretary General of Board of Governors Visar Ramajli.

During the meeting, the DFC presented their vision for unlocking increased American and foreign investment in Kosovo as well as the new tools at their disposal to advance private sector led economic growth.

AmCham representatives Zeka and Ramajli provided a briefing about the overall economic situation in Kosovo, including recent increases in US-Kosovo trade.

They also highlighted the high potential sectors for investment in Kosovo as well as some of the perceived risks that have prevented foreign direct investment from reaching its full potential. Both sides agreed to begin collaborating on ways to improve the business climate in Kosovo.

2.69. Civil Code is Kosovo’s key advancement in legal terms

Prishtina, October 1, 2020 – The updates and modernization of Kosovo’s Civil Code, as well as the benefits natural and legal persons receive from it, were part of the topic of discussion during a virtual forum organized by the American Chamber of Commerce in Kosovo with the Minister of Justice Selim Selimi, and a panel of experts of the legal field.

The Minister of Justice of the Republic of Kosovo, Selimi Selimi, emphasized that the Civil Code is one of the most important documents of the justice system in Kosovo right after the Constitution, as it fully codifies civil law through five books that address selected aspects such as liabilities, property, family and inheritance. While speaking about the novelties arising from this code, Minister Selimi stressed that one of the main benefits of the Civil Code is the merging of all relevant norms and laws into a single code, which among other things supports the market economy through defining ownership, contractual law and obligations, as well as the rights of natural or legal persons involved in economic matters.

Haxhi Gashi, Key Expert of the Civil Code Project, while mentioning the harmonization of legal provisions as one of the key benefits of this Code, also stressed that this document will facilitate the work of courts during decision-making. Gashi also said that this code is crucial to businesses’ activities, while emphasizing that through the intertwining and harmonization of laws such as that of obligations, property and inheritance, the Civil Code has filled a gap in Kosovo’s legislation which is now more comprehensive for enterprises. Gashi also described the creation of this Code as one of Kosovo’s key advancements compared to countries of the region in legal terms.

Dr. Kerstin Niethammer-Juergens, Head of the Civil Code Project, stressed that the primary goal of the project activity she leads is to modernize the legal system and define the issues already addressed within it. She also stated that during the creation of this code, key instruments from the systems of other countries have been taken into account, which were then adapted and created in order to best serve the already existing system in Kosovo.

Alfons Lentze, Legal Matters and Rule of Law Policy Advisor at the European Union Office in Kosovo, highlighted the imperative role the business community plays in creating and implementing the Civil Code, citing the fact that it has been a very big investment which will provide Kosovo a stronger economy. Lentze also stressed the importance of cooperation between relevant stakeholders such as chambers of commerce and the companies they represent, for the proper implementation of the Civil Code for the benefit of citizens and businesses in the country.
2.70. Government should provide proper response to the heavy industry losses

_Pristina, October 2, 2020_—The impact of the COVID-19 pandemic in Kosovo’s economy continues to create unprecedented challenges especially to industries dependent on jobs that cannot be done remotely as is the case with the heavy industry, while these enterprises need great support from the Government. This, among other things was said during a virtual forum organized by the American Chamber of Commerce in Kosovo on the impact of the pandemic on the heavy industry.

Genci Beribashi, Project Coordinator at NewCo Ferronikeli emphasized that during the pandemic, the survival of enterprises in the heavy industry such as metallurgy and the mining sector does not only depend on the measures undertaken by the Government of Kosovo but also on international markets as well as they have a direct impact on benefits from exports. He emphasized the fact the Ferronikeli’s activities bring added value to Kosovo’s economy, taking into account that this enterprise amounts 40% of Kosovo’s exports. According to him, due to the interruption of Ferronikeli’s activities, Kosovo has lost 8 to 9 million euros per month, adding that the concrete measures the Government can undertake to support enterprises of this sector include decrease of mining royalties, decrease of electricity fees as well as guaranteeing of soft loans.

Referring to reports drafted by her ministry, Valbone Dushi, Head of the Industry Department of the Ministry of Trade and Industry, emphasized that during the COVID-19 pandemic, there was an increasing participation of the manufacturing industry in the Gross Domestic Product, adding that the decline of imports to Kosovo is a positive aspect as well. According to her, some of the issues this industry has faced during this time have been the reduction of capital and foreign investments. Dushi also noted that while drafting the measures against the pandemic, recommendations made by stakeholders such as chambers of commerce and the business community have been taken into account also stating that once the Economic Recovery Package is approved, this ministry will provide more support to the manufacturing industry as well as to other sectors negatively affected by the pandemic.

Hysen Vrajolli, Acting Chief Executive Officer of Trepça, mentioned the fact that the enterprise he represents has been severely affected by the pandemic taking into account the fact that it is an underground mine thus most of the protective measures against the virus such as maintaining social distance are not applicable to Trepça employees. Vrajolli also emphasized the fact that the drastic decline of prices in the stock exchange markets, disruptions in supply chains and blocking of minerals in transportation platforms have caused delays in the fulfillment of contractual obligations of Trepça towards its partners, thus also creating challenges for the enterprise itself. In addition, he said that Trepça has been supported though subsidies in the amount of 3.5 million euros by the Government of Kosovo in the first months following the outbreak of the pandemic, adding that subsidizing stocks would be one of the most efficient measures to take in order to ensure the continuation of activities of enterprises within the heavy industry.

2.71. Digital transformation, a key driver for Kosovo’s economic development

_Pristina, October 7, 2020_—In addition to the challenges and disruptions it has caused on all aspects of our lives, COVID-19 has also created an unprecedented need for digital transformation of economic activities, in order for businesses to better adapt to the new reality. This was said, among others things during a virtual forum organized by the American Chamber of Commerce in Kosovo, with a panel of experts of this field, who unanimously stated that the digital transformation conditioned by the outbreak of COVID-19 has cleared the path for the creation of new enterprises as well as for reforming the strategies of already existing enterprises.

Blin Zeqiri, Chief Executive Officer at Art House, who was also the moderator for this forum, emphasized that the process of digital transformation not only for businesses but for public services as well, is crucial for the country’s development, adding, however, that it is obvious that this transformation will take some time. He also spoke of the need for businesses operating in the technology sector in Kosovo to further develop, so that they are able to provide more qualitative services as well as attract more international clients, whom they are already providing services for.

Jeta Zagragja, Head of Business Operations in the American company UCX Market, stressed that the need for digital transformation following the outbreak of COVID-19 has been a key driver in achieving the technological advancement we are now experiencing in all sectors in Kosovo, especially in e-commerce.
She further added that the Republic of Kosovo is an ideal country for foreign investments, mainly due to the attractiveness in tax and legal aspects, which facilitate the development of new enterprises especially in the technology sector. Zagragja also stated that the country's image, although damaged by political instability is improving. According to her, to ensure proper development, the capacity of Kosovar youth, as well as cultural proximity to developed countries, must be further promoted. Taking her personal experience at UCXmarket during the lockdown as an example, Zagragja noted that remote working as one of the fundamental changes implemented during this time has been a great motivator for digital development, while this strategy is here to stay. Finally, she called upon all companies affected by the pandemic to take the necessary steps to their recovery through digital transformation as well as proper utilization of resources offered for them by the state of Kosovo.

Bleron Limani, Chief Technical Officer at the American based company VAIU Kosova, said that the COVID-19 pandemic has created an increased demand for digital payments, which is also one of the services this company focuses on. Referring to Kosovo's attractiveness for investors, Limani stressed that the private sector plays a major role in changing and improving Kosovo's image in front of American and other foreign investors. He also added that awareness of the opportunities for cooperation through business networking must be raised in Kosovo, mentioning that this can be done by stakeholders such as AmCham, as well as by online platforms which serve the same purpose and also create opportunities to further build on the credibility of Kosovar entrepreneurs in the global market, and facilitate cooperation within as well as outside borders. Further, Limani spoke of the need to digitalize municipal services and update the educational system in order for the Kosovar youth and all citizens in general to be better prepared to enter the labor market which has already been reformed by the COVID-19 pandemic.

2.72. Government to focus on ensuring the recovery of HORECA sector

Prishtina, October 8, 2020 – Businesses operating in the HORECA industry, namely hotels, restaurants, and cafes, have clearly been among the most affected by the impact of the COVID-19 pandemic and the restrictive measures taken in order to prevent its spread. The decline in circulation of revenues, as well as the increase in consumer trust in luxury products and services offered by this sector have caused tremendous damage to this industry. During the next virtual forum organized by the American Chamber of Commerce in Kosovo, business representatives of the HORECA industry discussed about the implications the pandemic has had on these enterprises.

Erëmal Bajrami, General Manager at KFC Kosova, and also Chairperson of AmCham Hospitality and Tourism Committee, as well as moderator of this forum, stressed that during this year the HORECA industry has been severely affected by the COVID-19 induced isolation, which has played a rather large role in the drastic downturn in the economy, the consequences of which will be present for years to come.

Shkumbin Muçolli, General Manager at Burger King Kosova, as well as a member of AmCham Board of Governors, emphasized that the past months, respectively those since the outbreak of the pandemic in March, have been characterized by a decline in business turnovers and unfortunately massive job losses. Referring to the measures taken by the Government, including the Economic Recovery Package which is still awaiting approval, Muçolli said that although this package has been delayed, it remains very important for the survival of businesses in the country. He also stressed the importance of the HORECA sector, thanks to the large number of people it employs, the influence it has on improving the country's image, as well as its overall impact as one of the main pillars of the economy, while saying that the cessation of the activities of this sector will further deepen the crisis we are currently experiencing, thus consequently stagnating the economic development for years to come.

Gani Mehmeti, Chief Executive Officer at Hotel Nartel, spoke about the difficulties his hotel is facing during this time. He expressed his dissatisfaction with the state's approach to the hospitality sector, stressing that during this period many businesses are forced to lay off their employees as they are no longer able to provide them their wages. According to him, another issue that needs to be addressed by both the Government and the general public is the lack of involvement of representatives from the most influential sectors in Kosovo's economy in the processes of drafting laws which affect these sectors, as they are able to provide a more realistic picture of the challenges and difficulties they are currently experiencing thus helping to create and implement a more comprehensive approach to their problems.
Bujan Stavileci, Sales and Marketing Manager at the Four Points Hotel by Sheraton Prishtina City, stressed that hospitality as an industry, combines within itself other sectors such as gastronomy, entertainment, and event planning, therefore the implementation of protective measures against the COVID-19 pandemic has created a major challenge within the Four Points Hotel, which had already opened its doors during a period of crisis. According to him, the pandemic has significantly affected the customer trust towards luxury services provided by the hotel. Stavileci also gave special emphasis to the gaps within the protective measures taken by the Government, in which case he stated that they should be customized based on the specifics of industries, so that their implementation is more easily applicable by citizens who frequent hotels in Kosovo, and businesses of the HORECA industry in general.

According to the panel invited to this roundtable organized by the American Chamber of Commerce in Kosovo, the Government must increase its support by injecting additional funds and reviewing the measures established for this sector, while the Assembly must take a more serious approach regarding the Draft Law on Economic Recovery, as any delay will result in more losses to the country's economy.

2.73. Kosovo to support startups and entrepreneurship

Pristina, October 9, 2020 – Startup businesses continue to play a very important role in the country's economy, therefore the Government must turn its focus on supporting these businesses which create new jobs and facilitate the lives of citizens through innovation. These were said, among other things, during a roundtable talk regarding the impact of the COVID-19 pandemic on startup businesses, organized by the American Chamber of Commerce in Kosovo.

Arianit Fazliu, Chief Executive Officer at Kutia, and also moderator of this roundtable, stated that the pandemic, in addition to emphasizing the need to transform economic activities in order for them to adapt to such situations, has also placed the spotlight to the need for better coordination of funds as well as investment in the industries that strongly affect the economy of Kosovo, thus ensuring its development.

Uranik Begu, Executive Director at the Innovation Center Kosovo (ICK), stressed that startup businesses are a matter of important relevance, as the COVID19 pandemic, along with all its disadvantages has brought opportunities for the establishment of new businesses, while stating that ICK has made all efforts to be available at all times to provide space, mentoring, consulting, or any other relevant support for startups. Begu said that Kosovo as a country has not made much progress in terms of offering institutional support for new businesses, which while allowing people to be creative due to lack of market regulation, also creates barriers to bringing the right results. According to Begu, the Government of Kosovo should determine the country's direction for economic development by focusing on those sectors which show a positive trend and have a positive impact on the economy, and since all signs show that the ICT sector is growing strong, continuous support must be provided for it. He also stressed that this is the last moment for the Government to turn to startup businesses which will create new jobs in the near future, as well as provide products and services that will improve the lives and well-being of citizens.

Jolta Kacani, Consulting Manager at Deloitte, spoke about the PowerUp initiative, which is a program created with the aim to build the capacities of businesses in their early stages, in the Western Balkans. She stated that through training sessions and consulting services for the creation of a proper business strategy, as well as offering assistance in the transformation of operations, this project aims to prepare businesses to penetrate the local and international market, while another focus point is helping businesses achieve independence from investors. Kacani also stressed that in addition to the ICT sector, special attention should be paid to enterprises in sectors such as services, food, and also the artisanal sector which have a positive impact on the economy.

Faton Sopa, CEO at Manafera stated that a major challenge for startup businesses has been the shift in investor interests, who, driven by the uncertainty created in the global economy, are now targeting the markets of developed countries and companies that guarantee quick output of low risk investments. Sopa said that among the most severe consequences of the pandemic was the need to restructure business modules in order to adapt to the growing demand for electronic services, especially in the platforms to which the educational process has turned to. Finally, he added that young entrepreneurs need to create a long-term vision, while emphasizing that changes in market needs, create the need to restructure business activity strategies.
2.74. **Study on Impact of COVID-19 on Women-Owned Businesses published**

*Prishtina, October 14, 2020* – The uncertain economic landscape created by the COVID-19 pandemic produced negative results to all businesses and industries, especially to vulnerable groups such as women-owned businesses. This was said during the publication of the “The Impact of COVID-19 on Women-Owned Businesses in Kosovo” study, compiled by the American Chamber of Commerce in Kosovo.

The author of this study, Ardita Hajra, AmCham Policy Officer, while presenting its main findings, emphasized that this study aims to provide insights on the current trends, forms, and level of damages caused by coronavirus, but also identify key problems faced by women in business during these hectic times. According to this study, the biggest challenge women entrepreneurs have faced has been economic well-being, 40.94%, followed by the increased need to undertake more unpaid work, such as the need for additional care and attention towards family 28.19%. Another worrisome finding in this study is the number of businesses which have shut down completely during lockdown, roughly 65%, while data show that there has also been a high decrease in sales at approximately 90%.

Amending the Labor Law still remains essential to boosting women’s employment, with the study finding that about 90% of the women surveyed are optimistic that changing this law would boost the number of employed women. Although women face specific challenges and obstacles and they are under-represented in leadership positions, 35.71% of them believe that improving the business environment in general would directly increase women’s participation in the market, as various issues in business are similar for both women and men. As the findings of this study point out, special grants from the Government would be an ideal measure for the recovery of women’s businesses as was agreed upon by 74.81% of the surveyed women.

During the roundtable discussion on the same topic, Mrika Gashi, Executive Director at RDA Center, and also a member of AmCham Board of Governors, stressed the need to raise women’s awareness and access to information on grant applications, especially for those in rural areas who have limited access to the resources needed to further develop their businesses. Gashi emphasized that the support through the funds provided by the Government of Kosovo, no matter how useful, is unfortunately insufficient. She also called for organizing informative and training sessions, promoting women in business, and strengthening their position in the local, regional, and international market.

Besa Ilazi, Project Management Specialist at the USAID Office of Economic Growth, stressed that in Kosovo, women’s participation in the labor force is quite low, however, women’s economic empowerment is essential for the country’s development. Ilazi also briefed participants on USAID’s next five-year strategy, which focuses on comprehensive development regardless of gender, ethnicity, or age. According to her, this strategy aims to ensure equal inclusion in the economy, while within it, women entrepreneurs will be assisted through technical assistance. Ilazi also mentioned another project which aims to increase the presence of women in the international market, with a focus on exports, respectively in the ICT sector as well as that of wood and food processing.

2.75. **Lack of legal clarity on property rights is an obstacle**

*Prishtina, October 16, 2020* – Property issues are an extremely important aspect of doing business, as various challenges stem from legislation governing immovable property rights in the country, the widespread degree of informality in the property sector, and the inconsistent implementation of these rights. This was said, among other things, during the latest virtual roundtable organized by the American Chamber of Commerce in Kosovo in cooperation with the USAID Commercial Justice Activity.

Matthew Cullinane, Private Enterprise Officer at USAID’s Economic Growth Office, said that the government must pave the way for businesses by facilitating the procedures for conducting their activities, as well as through comprehensive regulations, thus creating better opportunities for economic growth and development. Cullinane briefed participants on USAID’s market and enterprise-oriented strategy, while emphasizing that special importance is given to the application of arbitration, mediation, and alternative dispute resolution methods. According to him, legal systems of all countries have room for improvement, however a reliable legal system within the state, especially in commercial terms, is key to ensuring the development of the private sector and increasing the attractiveness of businesses in front of foreign investors.
Erbilina Krasniqi, lawyer and legal representative of Tregtia, stressed that some of the most crucial challenges that businesses face in relation to property rights stem from bureaucracy in institutions. According to her, this creates excessive challenges, especially considering the increase in the number of new constructions since the post-war period, which often aren’t registered properly.

Further, she added that contradictions among laws do exist in the country, where she mentioned the challenges faced in the process of ownership transfer. Krasniqi stated that such objections occur as a result of the laws being drafted from an individual rather than business perspective, which creates unusable collateral, as these properties cannot be mortgaged, sold or alienated. Finally, Krasniqi said that the establishment of the Commercial Court, which has now passed the stage of public consultation, would be a great advantage for Kosovo in terms of resolving commercial disputes.

Kujtesa Nezaj-Shehu, Head of Office and Lawyer at SDP Kosova, emphasized that in business assets, in addition to monetary and tangible property, intellectual property is also a very important part, adding that this property is what distinguishes a business from its competitors. Related to the challenges faced by businesses in the country, Nezaj-Shehu stressed that awareness of the importance of intellectual property is not at desirable levels, which makes its identification and protection impossible. She placed special emphasis on the protection of intellectual property rights, while calling on businesses to view the protection of intellectual property as an investment, and to follow the necessary administrative procedures to ensure the protection of intellectual property such as copyrights, patents, trademarks and designs which much be registered with the competent authorities.

2.76. COVID-19 affects the increasing responsibility of businesses to society

Pristina, October 16, 2020 – The importance of corporate social responsibility (CSR) has increased significantly following the outbreak of the COVID-19 pandemic, which has highlighted the need for responsible action, while a large number of companies in the country have taken immediate action to mitigate its impact on society. The American Chamber of Commerce in Kosovo organized a conference with a panel of experts of this field, during which the phases and principles of CSR as well as global trends to be followed for the further development of this practice were discussed.

Ariel Shaban, Chairperson of AmCham Corporate Social Responsibility Committee and Director of Business Development & Quality Manager at KIVO, who was also the moderator of this conference stressed the need to strengthen CSR within companies, given the positive impact this practice has on society, while adding that during the pandemic, corporations have stayed close to the citizens through the social responsibility activities they have conducted.

Wayne Visser, Chairperson at Sustainable Transformation and Professor of Integrated Value at Antwerp Management School, briefed participants on the five phases of corporate social responsibility that companies go through, which are defensive, charitable, promotional, strategic and transformational. According to Visser, during the development and advancement of corporations, the social responsibility side must be transformed simultaneously and adapt to customers and market needs serving to the society’s wellbeing, while adding that it is important that every enterprise that has an advanced CSR department coordinates its activities based on the field in which it operates. He also stressed the need to raise awareness regarding CSR, adding that the extraordinary situation created by the pandemic has brought about a major shift in requests and calls for help made from civil society to corporations. Finally, Visser added that although the pandemic has radically disrupted the economy, and consequently corporate revenues, any work that serves the collective good, be it in protecting the environment, improving the quality of food or donations is part of the CSR.

Indira Kartallozi, Executive Director of Sustainability Leadership Kosovo expressed her satisfaction with the willingness of corporations to be more active in serving society, while emphasizing that social responsibility trends have already begun to undergo major changes imposed by the COVID-19 pandemic as well as other threats to humanity, such as global warming. According to her, another impetus towards the implementation of changes in this area are foreign policies and the pressure exerted on the most influential companies. She took as example some Kosovar businesses which have reformed their activities to adapt to the needs of the market after the outbreak of the pandemic, activities which according to her are classified as fulfillment of corporate social responsibility. Furthermore, Kartallozi added that a positive
trend of increasing social responsibility can be seen in startup businesses of developing countries, which are using innovation to serve the economic development of the country, as well as improving the quality of life of citizens.

Antigona Limani, Head of Marketing and Public Relations Department at Raiffeisen Bank, said that the company she represents is in the strategic phase of corporate social responsibility. According to her, this bank aims to support enterprises that have a positive impact on the economy and the environment, while this principle initially created many challenges and now the bank’s standards for social responsibility are imposed on businesses with which they cooperate. Limani stressed that the pandemic period has caused changes in the way the banking sector in general uses funds, and the same will be allocated and invested in those industries that serve the public welfare thus fulfilling the main principle of CSR.

2.77. AmCham and KCC meet DFC executives in Washington


In a meeting with the Executive Vice President for Strategy, Edward Burrier, Adviser to the DFC Corporate Chief Executive Officer, Caleb McCarry, and the Chief of Staff, Stewart Ackerly, leaders of the two chambers of commerce spoke about the needs of the private sector in Kosovo, while pointing out the high potential sectors for investment, which could benefit from DFC support instruments.

Zeka and Rukiqi also emphasized the need for an accelerated engagement of the governments of both Kosovo and Serbia, for the implementation of the commitments inside the Washington Agreement, as well as the role that national and American chambers of commerce in Kosovo and Serbia can play in assisting the governments in the implementation of the points from the agreement.

The discussion also revolved around energy related issues, and the need to increase the security of supply in Kosovo as a precondition for economic development.

2.78. COVID-19 creates long-term changes in human resources

Prishtina, October 21, 2020 – In addition to the multiple changes it has caused in the economy, the COVID-19 pandemic has also restructured work methods and locations, thus further emphasizing the role of technology in communication. At the same time, human resource departments within companies are faced with the need to restructure their work strategies in order to maintain employee productivity. Changes implemented in organizational strategies, staff reorganization, and remote working were some of the main points of discussion during the latest virtual forum organized by the American Chamber of Commerce in Kosovo, regarding the impact of the pandemic on the reorganization of human resources.

AmCham Human Resources Committee Chairperson Donika Karaxha, Talent Acquisition Manager at Sutherland as well as moderator of this forum, stated that the pandemic has highlighted the need to implement changes in human resource activities so as to immediately adapt to the situation, while also mentioning the need for recognition of electronic registration of holidays.

Anita Kosumi-Ajeti, Head of the Human Resources Department at the Bank for Business (BPB), stressed that one of the main challenges this institution has faced during this time has been the organization of work processes so as to enable the continuity of activities and customer services while also motivating staff through ongoing communication. According to her, BPB has taken all measures necessary to maintain employee wellbeing and also functionalize remote work in the departments where it was possible to do so. Regarding the latter, Kosumi-Ajeti said that working remotely has significantly emphasized the importance of internal communication, and the role of the bank’s leadership in managing teams remotely. She also stressed that the preventive measures implemented by health institutions have served not only to raise customer awareness about the use of electronic banking services, but also as an impetus for the advancement of these processes by the banking sector in general.

Shkumbin Ibraimi, Chief Executive Officer of Mercurius Consulting, stressed that staff recruitment services, especially in information technology, have increased during the pandemic period, while digital
transformation processes were accelerated as a result of isolation. Speaking about the challenges caused by this unprecedented situation, Ibrahim said that an particularly challenging difficulty to overcome has been the adequate testing and evaluation of candidates from a distance. Meanwhile, according to him, this way of working, although a necessary process for the situation in which we are, will have long-term negative impacts due to lack of verbal communication and social activity within companies. Ibrahim further called for understanding between the employees and the owners of the companies in case of termination of contracts.

Vedat Hajdari, Manager of the Human Resources Department at HIB Petrol, emphasized that considering the nature of the work of this company, where approximately 70% of employees have direct contact with clients, a major challenge to overcome has been the organization of work activities. Hajdari also shared with the participants some of the measures that have been implemented in this company to avoid termination of employees’ contracts, in which case the workers that were facing the most risk, either from their position in customer service, or personal health aspects have been sent on medical leave. Further, Hajdari stressed that within the labor law there are provisions which define and justify absenteeism due to such situations, however dismissal due to the difficult economic situation of the company is also justified. According to him, issues that must be addressed are the lack of formality in the workforce, as well as the inclusion of force majeure in contracts.

Arlinda Vllasolli, Manager of the Human Resources Department at Trepharm, stated that one of the biggest challenges her department has faced during the COVID-19 pandemic period emerged from the late-night decision-making by the Government of Kosovo, which left little space for the implementation of efficient rules within the company. Vllasolli also pointed out that considering the nature of Trepharm’s activity, the production department worked at high capacity while the administrative department worked from home. She also shared some of the preventive measures still in force within the company, such as restructuring the use of common areas for workers, temporarily cutting off contact with external parties, as well as frequent temperature checks. Vlasolli stated that the termination of employees’ contracts at Trepharm has been minimal.

2.79. Pandemic accelerates integration of technology within education systems

Pristina, October 23, 2020 – In addition to stagnating the development of economic activities, the COVID-19 pandemic has also caused major disruptions in the education system in Kosovo, which may affect the labor market as a key part of the economy in the near future. The digitalization of this sector, the various challenges in teaching and learning, as well as the overall impact of the pandemic on different levels of education were some of the topics of discussion during the virtual forum organized by the American Chamber of Commerce in Kosovo, regarding education in the face of the pandemic.

Gjeni Shporta, Country Representative at the American Councils for International Education, and Member of AmCham Board of Governors, as well as moderator of this forum, highlighted the importance of education as a fundamental human right, adding that any situation that leads to the collapse of education will stagnate the advancement of mankind, therefore this issue must be treated with added caution.

Visar Jasigi, Chief Development Officer at RIT Kosovo, shared the experience of this institution during this time, thus emphasizing that within its emergency plan, RIT was committed in not only retrain the academic staff for lecturing virtually, but also in organizing workshops for students, so that they could adapt to the new learning procedures more easily. Jasigi stated that the use of various digital platforms has greatly facilitated the process of distance teaching, learning, and testing. According to him, a positive benefit from this situation has been the opportunity to change the education process through the widespread use of technology, hence offering new opportunities for Kosovo to attract students from other countries.

Vildane Kelmendi, Program Director at Cacttus Education stated that this institution has taken all the necessary measures for lecturing remotely, through digital platforms which enable the recording of lectures, thus creating the opportunity for students to access them at any time. Kelmendi stressed that as a result of the temporary closure of jobs and public spaces, a positive increase in commitment to education has been noticed, leading to higher results for students. Further, she stated that following the alleviation of anti-pandemic measures in Cacttus Education, the teaching processes are being held in a combined manner, fully compliant to the guidelines from health institutions for the preservation of collective health and overall well-being.
Shemsedin Vehapi, Vice Rector of AAB College, stressed that given the number of students and educational programs this college offers, the pandemic has spurred the transformation of classical educational processes into digital ones, as well as the incorporation of innovation. He also stated that some of the measures taken to ensure the continuity of learning have been made possible thanks to prior developments of technology and the utilization of the existing internal platform at AAB. Vehapi added that higher level education is more easily adaptable to such challenges, stating that the greatest difficulties have been encountered by the lower levels of education, since according to him, dynamic interaction within the classroom is extremely important, although rendered near impossible by distance learning.

Ilirjana Imami, High School Principal at the American School of Kosovo (ASK) stated that although this period has been challenging, ASK had already been in the process of integrating technology into teaching since long ago. Imami also stated that transforming the classical teaching process into a remote one has brought the need to reform the methods of teaching and testing so that students are able to develop their critical thinking and are able to apply the knowledge acquired during their lessons in day to day life. She added that plans have already been drawn for situations such as this pandemic, and learning processes are continuing to adapt to the new reality.

### 2.80. Prime Minister discusses economic development with American companies

*Prishtina, October 29, 2020* – The American companies operating in Kosovo met today with the Prime Minister of the Republic of Kosovo, Avdullah Hoti, to discuss plans for the country’s economic development, including the alleviation of bureaucratic procedures as well as additional mitigations which would improve the climate of doing business in the country.

During this meeting organized by the American Chamber of Commerce in Kosovo, representatives of U.S. companies such as Coca-Cola HBC, Microsoft, Cisco, and Stone Castle as well as the honorable former U.S. Congressman Jerry Weller were present.

Prime Minister Hoti elaborated on the Government’s plans to create a competitive environment for doing business while highlighting that special attention is being paid to the implementation of the projects deriving from the Washington Agreement that would create multiple effects on the country’s economy. According to the Prime Minister, it is planned that within a 5 to 7-year period, Kosovo’s economy is transformed into a hub in terms of regional communication. Furthermore, the Prime Minister stated that the Government is collaborating with the World Bank toward reducing the administrative burden for businesses, reviewing several laws as well as simplifying bureaucratic procedures for all economic sectors. He also added that creating the necessary conditions to attract foreign investors on a regional level is imperative, considering that they are already turning away from the far east.

Former U.S. Congressman, honorable Jerry Weller, spoke of the need to develop a governmental program that supports the manufacturing and export sector, taking into account the fact that the American Generalized System of Preferences in which Kosovo is also included, expires this year. Whereas, AmCham U.S. member company representatives had the opportunity to address the needs and requests of the sectors they operate in, as well as offer their recommendations for the measures that can be taken towards improving the business climate in Kosovo.

### 2.81. Kosovo must increase investments in cyber security and data protection

*Prishtina, October 30, 2020* – Cyber threats affect the ability to operate, the reputation, as well as the very existence of businesses. The private sector should pay special attention to designing and implementing cybersecurity practices, customer data protection, intellectual property, and critical infrastructure. These, among other things, were said during a workshop organized by the U.S. Embassy in Kosovo and the American Chamber of Commerce in Kosovo, during which data protection, trusted vendors, cybersecurity, and information privacy were discussed.

Valerie Tucker, Economic Officer at the U.S. Embassy in Kosovo and at the same time moderator of this virtual workshop, stated that with the signing of the 5G Network Memorandum of Cooperation between Kosovo and the U.S., Kosovo has taken a very important step towards preserving national security, human rights, intellectual property and personal data, today and in the future.
Agim Bekaj, Country Representative at Microsoft emphasized that in regards to the cyber aspect, one of the biggest challenges in Kosovo is the high piracy rate as well as the use of illegal software. According to him, Microsoft, having followed the digital transformation of learning processes, has committed to protecting children and their data by offering a safe and free of charge platform for continuation of learning processes. Furthermore, invited all businesses to use could services, and highlighted that one of the most efficient ways to avoid cyber threats is through investing in identity and data protection.

Andrej Petreski, Country Leader at Cisco – North Macedonia & Kosovo stated that the COVID-19 pandemic has highlighted the importance of the information and technology department within businesses, ergo, their advancement is imperative. According to Petreski, although major corporations are often aware of how important protection against cyberattacks is, small companies which are more prone to cyberattacks require investments in defense systems and data centers.

Ashken Adili, Chief Technology Officer at Cacttus, stated that among the first steps to take to ensure protection against various cyber-attacks are investing in trusted vendors, establishing information protection systems and maintaining them all the time. Adili also pointed out that as a young country, Kosovo is subject to cyber risks and there is a highlighted need for investment in data protection education, especially among the youth.

Tanzer Abazi, Founder and General Manager of FindBug, stressed that in Kosovo there is a significant lack of knowledge regarding data management, as well as protection of company networks, issues for which FindBug has received several assistance requests from various sectors. Abazi further stressed the need for greater investment by the state in ensuring data privacy and the overall cyber security sector.

Drinor Selmanaj, CEO of Cyber Academy, stressed that digitalization driven by the outbreak of the COVID-19 pandemic has created opportunities for cyber-attacks, thus motivating companies to react and invest in this direction. Referring to the progress made in the global cyber sector, he also mentioned the advancement of attacks on critical infrastructure carried out even against the most developed countries, in which case he stressed that it is necessary to create the appropriate protective structures for Kosovo.

Robert Shala, CEO of Sentry, stated that the lack of an insurance market for cyber risks is another barrier to the development of this sector. According to him, the existence of this market could help the development of businesses and stimulate the advancement of their data protection systems. Shala said that in terms of critical infrastructure, there are some gaps within telecommunications that need to be addressed, while emphasizing that it is necessary that the credibility of cyber service vendors is ensured, as this infrastructure serves for national data.

2.82. Public-Private partnership ramps up national cyber security

**Prishtina, November 2, 2020** – The digital advancement accelerated by the COVID-19 pandemic has brought various benefits to society, however, it has also paved the way for invisible cyber risks. During a virtual forum organized by the American Chamber of Commerce in Kosovo, along with a panel of local and foreign experts, the new cybersecurity era, support for small and medium enterprises regarding cybersecurity as well as the importance of international cooperation were some of the points of discussion.

Xhavit Gashi, External Advisor to AmCham as well as moderator of the event, stated that the global situation caused by the COVID-19 pandemic has further increased the importance of cybersecurity, as well as the number of risks deriving from it.

General Timothy Orr, Former Director of Iowa Public Defense, stated that the United States extensively uses the Public-Private partnership in order to protect critical infrastructure as well as drive the overall cyber strategy. According to him, every government must have a cyber strategy, which serves as a framework for sharing information regarding the cyber threats opposed to both the public and the private sector.

Doug Jacobson, Professor, and Director of the Information Assurance Center at Iowa State University stated that special attention in this country is given to educating society about cybersecurity. According to Jacobson, during this period of increased digitalization, many scamming practices have been present, such as phishing emails aiming to discover personal information, which have mainly targeted individuals.
Lajos Antal, Head of Cyber-Risk Services in Central Europe within Deloitte, stated that the cyber-attacks which have been growing globally, do not only damage companies financially, they also damage relations with partners, trusted vendors, and other stakeholders. According to him, cyber-security requires investments, but it is inevitable as it plays an imperative role in protection against attacks that target businesses.

Kujtim Gashi, General Director of Information Society Agency, stressed that this period has created a good opportunity to synchronize activities between the private and public sectors regarding cyber-security. According to him, it is important to note that during the last years, capacities for cyber-security have increased regarding critical infrastructure and that thus far, cyber-attacks have been successfully defused.

Xhanan Karaqa, Head of Security at NLB Bank, emphasized that small and medium enterprises have also faced cyber-attacks which are present worldwide, while highlighting the importance of raising awareness among these enterprises regarding cyber risks, in order for them to be able to better defend their networks and data.

Rina Basholli, Advanced Technology Security Engineer, emphasized that with the advancement accelerated by the pandemic, opportunities for cyber-attacks that can affect various security vectors have increased as well. According to her, lack of awareness about cyber-security remains a challenge, whereas it is necessary for companies and organizations to be pro-active and prepared in this regard.

Mentor Hoxhaj, President of Cyber Security and Privacy, said that one of the key issues concerning cyber-security is the lack of reporting data breaches as well as the lack of investments in cyberinfrastructure. Hoxhaj also highlighted the need to create a standard for reporting such issues as well as increasing transparency so as to build better defense systems.

2.83. Whistleblowing helps increase businesses’ work efficiency

Pristina, November 4, 2020 – Whistleblowing, as an informative act on the violations of the law within public institutions and private companies, is a process of significant importance that ensures the development and improvement of companies’ ethics and integrity, as well as the public interest in general. This was said, among others, during a virtual forum organized by the American Chamber of Commerce in Kosovo and FOL movement, aimed at informing the private sector regarding the Law on Protection of Whistleblowers.

Erblin Hoxha, Project Management Consultant at FOL, as well as moderator of this forum, stated that the Law on Protection of Whistleblowers can improve businesses’ work processes while adding that it is imperative for the concept of whistleblowing to be understood appropriately in order to pave the way for the proper implementation of this law within the country.

Yllka Buzhala, Researcher at FOL, shared some of the provisions of this law related to the private sector, adding that its purpose is to enable whistleblowing on harmful practices and also to protect whistleblowers, while ensuring their confidentiality. Furthermore, she added that whistleblowing is not done on the basis of personal gain, and that it serves companies in improving work structures. Finally, Buzhala gave recommendations regarding proper implementation of this law, where she mentioned amongst others the need to select one person responsible for dealing with whistleblowing cases in companies with over 50 employees.

Tea Blakaj-Hoxha Secretary-General of the Arbitration Center at AmCham Kosovo, stated that only ten countries within the European Union have specific laws regarding whistleblowing, while according to her, this law creates great advantages for Kosovo. Blakaj-Hoxha mainly focused on the aspect of whistleblowers being wrongfully perceived as company spies, where she stressed that whistleblowing first and foremost helps companies save their integrity and ethics, as well as enables and supports a communicative environment which helps in increasing work efficiency. According to her, it is crucial for the public to fully understand the essence of the process of whistleblowing. On another note, Blakaj-Hoxha also recommended the creation of informative campaigns by the Ministry of Justice and other relevant stakeholders on the matter at hand.
Abdylkerim Ratkoceri, Human Resources and Administration Director at Meridian Corporation, while relating to the importance of this law, emphasized that inner communication between departments of the company in order to define the ways to treat cases of whistleblowing as well as their protection from potential punitive measures taken against them is of vital importance. Referring to the situation caused by the COVID-19 pandemic, Ratkoceri said that whistleblowing has been a great help in avoiding violations of health rights, while adding that once this situation is improved, many more businesses will focus on properly implementing this law.

2.84. Franchise firms in Kosovo encourage development of this business model

Prishtina, November 13, 2020 – The American Chamber of Commerce in Kosovo, supported by the USAID/Kosovo Economic Governance Activity, organized a virtual forum to promote franchising as a business model in Kosovo, during which, together with a panel of representatives of franchisors and franchisees of globally recognized companies, the advantages that such a business model creates for the economic development as well as the promotion of investments in the country were underlined.

AmCham’s Executive Director, Arian Zeka, spoke about the importance of developing franchising, where he mentioned that Kosovo, despite the positive developments in recent years, is still characterized by difficulties regarding access to finance and therefore growth and expansion of companies as well. Zeka also mentioned capital as an important franchising advantage, while saying that in financing circumstances based mainly on collateral, this model helps in achieving goals by enabling the growth of new business points, without the need for increased exposure to credit, but also in maintaining a minimalist business risk.

Ardian Hoxha, franchisor of SushiCo and franchisee of Green and Protein, as well as moderator of the forum, highlighted the visible effects that franchising has on the country’s economy, including job creation, economic modernization, and entrepreneurship development. Speaking from both sides, that of the franchisor, and also of the franchisee, Hoxha stated that he encourages the development of this business model in Kosovo, as it is very educational for businesses, and has chain effects in improving the supply chain and improving business processes, as well as increasing the quality of products and services.

Shkumbin Muçolli, General Manager at Burger King stressed that franchises are a good choice for investors, as businesses that use this model are well established and functional in different parts of the world. According to Muçolli, one of the main advantages deriving from franchises is the structuring and organization of staff within the country’s companies. Furthermore, Muçolli offered some advice to entrepreneurs interested in becoming franchisors, where he emphasized that they should study the market thoroughly, as well as work towards ensuring that they meet the standards required by franchisors.

Erëmal Bajrami, General Manager at KFC Kosova while referring to the concept of franchising and the history of the corporate he represents, stated that this business model enables corporations to develop on a global scale, and also paves the way for investments in franchised businesses. According to Bajrami, franchising, whether directly or indirectly, can bring many benefits to Kosovo’s economy, whereas a larger presence of businesses of this model can incentivize the increase of the quality of products produced in the country, as well as the development of the workforce.

2.85. Taiwanese Ambassador meets AmCham representatives

Prishtina, November 18, 2020 - The American Chamber of Commerce in Kosovo had the pleasure of meeting His Excellency Liu Shih-chung — Ambassador of Taiwan for the region, and discussing cooperation opportunities between Taiwan and Kosovo.

During this meeting, special emphasis was put on Kosovo’s sectors with the highest potential for growth, legal facilities for investments, as well as development of 5G network within the country.

2.86. Ambassador Kosnett talks on U.S. brokered deal & economic development

Prishtina, November 25, 2020 – Through a virtual meeting organized by the American Chamber of Commerce in Kosovo and Kosovo Chamber of Commerce, business representatives from both chambers
had the opportunity to virtually meet with His Excellency Philip Kosnett, U.S. Ambassador to Kosovo, as well as the Managing Director of the U.S. International Development Finance Corporation (DFC) for Western Balkans, John Jovanovic, to discuss the economic prospects of the U.S.-brokered Economic Normalization Agreement, signed by Kosovo and Serbia in Washington, D.C. on September 4th.

U.S. Ambassador to Kosovo Philip Kosnett said that he was pleased to see the two chambers working together on promoting the benefits of economic normalization, adding that it is critical that U.S. Government has a strong partnership with the business community in Kosovo.

“Something that we all share is the desire to see Kosovo and the region become more peaceful, more prosperous, and we cannot do that without private sector involvement,” Ambassador Kosnett said, adding that a key element of U.S. policy in the last couple of years has been to recognize the need for economic initiatives that will help ordinary citizens to build a better future for themselves.

“It’s difficult to separate politics from economics but I can tell you that when you ignore economics and when you ignore the benefits that ordinary citizens see from political initiatives, it is very difficult to move forward,” Ambassador Kosnett highlighted.

Ambassador Kosnett further said that the support for Kosovo’s prosperity, rule of law, and peace with its neighbors are key bipartisan strategical aspects in USA, adding that Kosovo businesses and people understand that America’s economic assistance to Kosovo has always been focused on building Kosovo’s self-sufficiency, enabling the country to its own path into the future.

Ambassador explained that the U.S. Embassy and its partners in Washington are continuing to move full speed to support Kosovo and Serbia in implementing the Washington agreements, having in mind that improving the lives of ordinary citizens is critical to building the economy of the region is one of the reasons why the agreement focuses so much on modernizing the infrastructure, as it facilitates the flow of people and goods across borders and that’s really key to unlocking the potential of this region.

“If you look at the map of the Balkans, Kosovo is right in the middle of the map. Kosovo’s neighbors need Kosovo as much as Kosovo needs its neighbors to build a regional economy and to build regional pipeline infrastructure,” said Ambassador Kosnett, concluding that it is important for Kosovo to overcome its reservations about CEFTA, about Mini-Schengen and work with its regional partners.

John Jovanovic, Managing Director of the U.S. International Development Finance Corporation (DFC) for Western Balkans and Aegean stated that the core part of DFC’s objective in the region is to broaden the financial tools that are already available to Kosovo, so as to strengthen its economy by mobilizing more private investment by global capital markets.

“As far as our regional development goals – they really focus on combating brain drain and doing so by offering young people compelling economic opportunity to stay, succeed and thrive in the region,” stated Jovanovic, adding that DFC also focuses on helping to build a more sustainable regional energy and telecommunications landscape, as well as improving the overall regional economic cooperation, which would result in accelerating the economic growth of the region.

The Executive Director of the American Chamber of Commerce in Kosovo Arian Zeka said that AmCham welcomed the U.S. mediated, agreement on economic normalization, believing that it will unleash new opportunities for economic development for Kosovo and Serbia and the entire Western Balkans region, by improving mutual economic exchange, providing new sources of financing and better utilization of joint natural resources. He highlighted the importance of the opening of new funding opportunities from DFC and EXIM Bank for the development of transportation infrastructure, but also for facilitating access to finance for small and medium enterprises, as well as women entrepreneurs. And finally, he supported Kosovo’s decision to join the four-freedom initiative or the “mini-Schengen” zone, which will guarantee the mobility of businesses and professionals.

The President of Kosovo Chamber of Commerce, Berat Rukiqi, stated there is a concrete involvement of the private sector of both Kosovo and Serbia regarding this agreement, and we would like to use this as a good momentum to advance regional economic cooperation. Rukiqi also noted that together with the Executive Director of AmCham, they have been in D.C. to follow up especially for the private sector part of the
agreement, and also to extensively discuss the financial instruments that DFC and other important financial institutions have at their disposal. According to Rukiqi, there are many barriers and issues that should be addressed, and the implementation of certain elements and provisions of this agreement will help not only in addressing issues between Kosovo and Serbia, but also different issues that are negatively impacting the economic development of the region.

2.87. **Negative impact of corruption in businesses is equal to that of COVID-19**

Prishtina, December 9, 2020 – Corruption remains one of the most negative occurrences that hinders business activities, as well as the proper economic development, which is heavily driven by the private sector. On the International Anti-Corruption Day, the American Chamber of Commerce in Kosovo, supported by the USAID Commercial Justice Activity has presented the Corruption Perception Study, which provides an overview of the progress marked in the country throughout the years in the fight against corruption.

Arian Zeka, Executive Director of the American Chamber of Commerce in Kosovo, stated that this is the third consecutive study on corruption perception conducted by AmCham, whereas for the past two years it has been supported by the USAID Commercial Justice Activity. Zeka noted that this study, in addition to serving AmCham, also serves both institutional and noninstitutional partners as a roadmap document regarding the level of corruption perception within the private sector community, and also the level of corruption businesses have faced within various institutions. He further stressed that this year, this study also brings two new aspects which are the inclusion of estimates of the COVID-19 impact on the increase of corruption, as well as a special focus on the corruption perceived and faced within business to business relations within the private sector. Furthermore, Zeka stated that the judiciary is an important link in the chain of war against corruption, therefore the increase of trust on the justice system encourages businesses to report corruption cases.

Vjosa Shkodra, Deputy Chief of Party at the USAID Commercial Justice Activity stressed that such studies serve as an important source of information. Whereas, while relating to the main objectives of the Commercial Justice Activity, Shkodra stated that among its top priorities is the prevention or minimization of opportunities to conduct corruption, while also emphasizing that when it comes to creating opportunities for businesses, the proper rule of law would create the path for market integration even with European countries, and would create a better economic climate for all businesses. Furthermore, she stressed that the Commercial Court would positively affect the attraction of foreign investments, generation of jobs as well as increase the citizens trust in the justice system.

The findings of this study were presented by Andina Vlaihu-Kelmendi, Policy Officer at AmCham as well as Diar Ramadani, USAID Commercial Justice Activity Representative, who emphasized that there is a need for increasing businesses’ and citizens’ awareness regarding the fight against corruption, as well as regarding the ways the judicial system can be reformed, having a direct impact in the fight against this occurrence which is quite negative both socially and economically.

Corruption Perception Study was conducted through a survey consisting of 364 respondents, representatives of businesses from various sectors of the country, which is a sample size significantly larger than in the previous years. The 2020 survey shows that approximately 60% of respondents view the COVID-19 pandemic and corruption as the two main issues the country is faced with. This year again, around 42% of respondents believe that compared to five years ago, corruption in Kosovo has increased, which is a similar rate from the 2019 study as well. Also, 40% of the surveyed businesses believe that the outbreak of the COVID-19 pandemic has impacted the rise of corruption levels.

The 2020 survey has revealed that the government is believed to be the most corrupted institution and this in the view of around 70%, followed by courts as per the opinion of 57%. However, there seems to be a contradiction between the level of perception of corruption and the level of transparency, as close to 60% of respondents rank the government as the most transparent institution, followed by the publicly-owned enterprises as per the opinion of around 55% of respondents, and 50% of businesses who rank courts in third place in terms of transparency. Nearly 40% of respondents report that they have encountered corruption, which is a 20% increase compared to the 2019 study. Whereas, over 45% of them have ranked municipalities as the primary institutions where they have faced corruption, followed by 35% that have claimed to have encountered corruption in the Tax Administration of Kosovo.
For the first time, the survey has measured the perception of corruption within the private sector, i.e. in business to business transactions and relations, and finds that almost 70% of respondents believe that there is corruption in the private sector. Around 30% of respondents have actually encountered corruption, whereas 40% have claimed to not have encountered any form of corruption. It should be noted that similarly to corruption perception in the public sector, there is a significant gap between the perceived corruption and encountered corruption.

2.88. **Country’s legal framework protects corruption whistleblowers**

*Prishtina, December 10, 2020* – Following up the publication of Corruption Perception Study, in coordination with USAID Commercial Justice Activity, the American Chamber of Commerce in Kosovo organized a virtual forum regarding the role of institutions in the fight against corruption, during which the findings of this study were discussed, with a special emphasis on those related to corruption reporting, while the role of digitalization of public procurement and its impact on the progress in fighting corruption was also discussed.

Shaip Havolli, Director of the Anti-Corruption Agency stressed that this institution has met the objectives set for this year, coming to the aid of all parties that have filed complaints or reported cases of corruption, where he mentioned 79 cases that have been handled so far. Further, referring to the findings of the study on the perception of corruption in the country, Havolli described them as much needed information. While mentioning the reluctance from businesses to report corruption due to fear of retaliation.

Havolli noted that lack of reporting also happens due to the involvement of businesses in corruption themselves. According to Havolli, the legal framework which regulates business activities, which now includes the Law on Protection of Whistleblowers, provides legal protection to persons who report corruption, thus facilitating this process. Furthermore, he also spoke about public procurement, which has undergone digitalization processes, having a positive impact on increasing transparency and minimizing opportunities for corruption.

Artan Canhasi, Component Lead and Civil Society Strengthening Specialist at USAID Program for Transparent, Effective and Accountable Municipalities, described the findings of the study on the perception of corruption as very true and relevant while adding that the COVID-19 pandemic period and the reforms implemented in activities such as public procurement have had a very positive impact on reducing corruption at a municipal level, as well as increasing transparency regarding procurement process, which accepts a high number of applicants, and presents many difficulties in terms of treating them properly. Canhasi also mentioned the need to raise awareness regarding the digitalization of public procurement, and increase the cooperation between institutions involved in procedures such as tender selection, while emphasizing the need for unification of the business community to raise its voice against corruption. Finally, Canhasi called on businesses to report corruption cases, and to also have confidence in state institutions.

2.89. **Familiarity of the new administration important for Kosovo-USA relations**

*Prishtina, December 12, 2020* - The continuous support that the U.S. have provided for Kosovo is of vital importance for the development and strengthening of the economy, the state, and the democracy of the country. While the U.S. elections and presidential transition have attracted global attention, a much-discussed issue has also been the envisaged change in international diplomatic policies and relations in the new administration’s approach. For providing a view on this topic, the American Chamber of Commerce in Kosovo organized a virtual forum with the Albanian-American activist Richard Lukaj, during which the expectations that the country may have from the new U.S. administration, led by the President-elect Joe Biden were discussed.

Referring to the November presidential elections, prominent Albanian-American activist Richard Lukaj said that the former created a lot of uncertainty about investments and contracts concluded by the Trump administration, where he also highlighted the agreement for economic normalization signed in September between the Republic of Kosovo and Serbia, while adding that the Biden administration differs from the Trump administration in terms of the approach with Kosovo, due to the prior knowledge and experiences of President-elect Joe Biden with Kosovo. According to him, this awareness will be reflected in diplomatic
Activist Lukaj also stressed that Kosovo should take concrete self-initiated steps towards strengthening the state and democracy, as well as continue progress and cooperation with NATO and other international organizations. Lukaj noted the need to improve the negative image of the country in front of foreign investors, as this phenomenon affects the increase of reluctance to invest in Kosovo, while according to him, other aspects that need to be strengthened are the rule of law, economic direction, and state maturity, as well as the fight against corruption.

Former U.S. Congressman, the honorable Jerry Weller, was also present in this forum. Weller highlighted that the prior knowledge possessed by U.S. President-elect Joe Biden for the state of Kosovo is a key difference between the two administrations, while agreeing that Kosovo needs to work towards its empowerment and adding that given the influential factors in state leadership, persons at decision-making levels are key for the development of U.S.-Kosovo relations.

### 2.90. Possibilities for extension of movement schedule discussed

**Pristina, December 18, 2020** – Representatives of the Healthcare and Hospitality and Tourism Committees within the American Chamber of Commerce in Kosovo met with the Minister of Trade and Industry, Vesel Krasniqi, and the Deputy Minister of Health, Luan Gola, to discuss issues related to the measures of the Government of the Republic of Kosovo for protection against the COVID-19 pandemic, as well as the possibilities for coordination for their implementation, for the benefit of citizens and businesses.

The Executive Director of the American Chamber of Commerce in Kosovo, Arian Zeka, stated that AmCham has requested from the Government of the Republic of Kosovo that the curfew be extended, always respecting the measures recommended by the Ministry of Health and the National Institute of Public Health for the protection of public health.

Minister of Trade and Industry, Vesel Krasniqi, said that given the fragility of the country's economy, the ministry he leads is against a total lockdown. He stressed that for several times within the committee for assessing the situation with COVID-19 he has advocated for taking strict measures, but not for closing the economy as a whole. Krasniqi also noted that given the large influx of diaspora, who play a key role in the country's budget through remittances, they will address business requests for an extension of the schedule, which is made possible through law enforcement through the inspectorate and the police, as well as through the implementation of strict measures for the protection of public health by businesses.

Deputy Minister of Health, Luan Gola, stressed that the Ministry of Health together with the National Institute of Public Health, up to now have always proposed necessary measures taking into account the limited hospital capacity to deal with a larger number of people infected. Furthermore, he highlighted the fact that the medical staff is tired due to the great work that has been done during these 9 months, while expressing his concern over the very serious situation. While mentioning that the country should be prepared for the period after the pandemic, Gola said that there is a large number of patients diagnosed with other diseases, who are already avoiding treatments and controls due to the possibility of infection. According to Gola, there is a whole range of measures that need to be handled very carefully in order to keep the situation under control.

Erëmal Bajrami, Chairperson of AmCham's Hospitality and Tourism Committee noted that one of the main requirements of this committee has been to allow the delivery service even during hours when movement is limited, as such a service does not pose a risk to public health, while the same is being implemented in other countries as well. He said that such a thing should be implemented as soon as possible, because any delay results in losses for the economy of Kosovo.

Vullnet Kusari, representative of AmCham's Healthcare Committee, said that in case of application of wider restrictions of physical activity, the increase of travel abroad should be carefully considered, as it will in turn affect the increase of cases with infections, as well as the loss of national economic potential.
2.91. U.S. International DFC meets Kosovo’s financial institutions

Prishtina, December 23, 2020 – John Jovanovic, Managing Director of U.S. International Development Finance Corporation (DFC) for Western Balkans and the Aegean engaged with Kosovo’s largest financial institutions in a virtual working session today.

Jovanovic spoke of the opportunities to support Small and Medium Enterprises (SMEs), highlighting the fact that in the post COVID19 period the DFC intends to assist the unlocking of the investment cycle, and to expand the loan portfolio agreements together with the Kosovo Credit Guarantee Fund (Fondi Kosovar per Garanci Kreditore), while at the same time providing direct lending to financial institutions.

The session was jointly organized by DFC, U.S. Embassy Pristina, Kosovo and American Chamber of Commerce in Kosovo.

3. GLOBAL ENTREPRENEURSHIP WEEK

3.1. AmCham marks the beginning of Global Entrepreneurship Week 2020

Prishtina, November 16, 2020 – Under the leadership of the Innovation Centre Kosovo (ICK), the Global Entrepreneurship Week in Kosovo has begun, with the American Chamber of Commerce in Kosovo being a partner in organizing it. In 180 countries of the world, various activities will be organized during this week aimed at promoting entrepreneurship and encouraging entrepreneurial activities.

To mark the beginning of this week, the Acting President of the Republic of Kosovo, Vjosa Osmani, addressed entrepreneurs through a dedicated video for AmCham, where she emphasized that she feels happy that a youth that is still facing many limitations, thanks to its will and commitment is breaking the boundaries of the possible, and with its creative spirit is tackling local and global challenges. She also stressed the role of entrepreneurship in the economic and social development of the country.

"Entrepreneurship creates new jobs, drives competition and innovation, and increases economic and social productivity. Institutions must provide their support to encourage entrepreneurship and to further develop the private sector as the main generator of jobs in Kosovo” said President Osmani.

AmCham marked the beginning of its activities for the week with a virtual forum regarding the business ecosystem in the country, during which the panelists provided an overview of how such an ecosystem should add value to the country's economic development while also discussing the role of relevant stakeholders who can contribute to this goal.

Deputy Minister of Finance Agim Krasniqi, highlighted the increased importance of the private sector in the country’s economy while talking about the actions taken by the Government to ensure that public spending does not decline during this time of crisis, which have a positive effect on the survival of the private sector. He further mentioned the need for the adoption of the Law on Economic Recovery as soon as possible, as it addresses the most urgent needs of the private sector and enables easier access to finance for businesses.

Valdrin Lluka, Head of Growth at Solaborate, and former Minister of Economic Development, during this forum, labeled the lack of advanced skills of the workforce as a challenge, which consequently leaves job openings offered by various companies unfilled. Further, Lluka also spoke about public investments, while adding that they are key to creating healthy business ecosystems, which undoubtedly generate jobs and help attract other investments. According to him, another challenge in business development is the informal economy which creates unfair competition in the market.

Remzi Uka, Chief Executive Officer of AFAM, and also the moderator of this forum, while referring to reports published by the World Bank, stressed that Kosovo ranks relatively well in terms of doing business, based on ten very comprehensive factors especially in terms of lending, which is an indicator of a strong banking sector.
3.2. **Incorporation of entrepreneurship in education serves students’ career**

*Pristina, November 16, 2020* – The educational system must be reformed and updated to not only provide knowledge but also preparation and life skills, while the incorporation of entrepreneurship within school curricula is highly useful. These were said, among other things, during a virtual forum organized by the American Chamber of Commerce in Kosovo during the Global Entrepreneurship Week, which is organized under the patronage of the Innovation Center Kosovo (ICK).

Enver Osdautaj, Senior Advisor to the Minister of Education, stated that the Ministry of Education has managed to implement the concept of career-building at all levels of pre-university education institutions through the application of counseling and student orientation policies. According to him, entrepreneurship as a concept is established from the first grade and onwards through various courses that teach students life skills. Further, Osdautaj stressed that various memoranda have been signed with local corporations to enable the implementation of internships in various sectors, while also emphasizing that during the drafting, education curricula are subjected to a scientific methodology so as to be adapted to the needs of the labor market.

Albina Balidemaj, Vice Dean for Academic Affairs at RIT Kosovo, while referring to the concept of entrepreneurship in general, spoke about the educational program of the university she represents, where she mentioned that the program offered at RIT Kosovo, such as Applied Arts and Sciences, tends to lean towards entrepreneurship. Balidemaj also emphasized another aspect of this program, where she said that the fulfillment of corporate labor during the four years of study is mandatory for every student of this university, which according to her, serves them in preparing for the labor market and career-building, following the completion of their studies.

Gëzim Gjikolli, Manager of Financial Advisory Services at Deloitte as well as moderator of this forum, emphasized that with the incorporation of entrepreneurship in educational programs, the country’s youth will enjoy great benefits such as increased self-confidence, increased knowledge necessary for the feasibility of their innovative ideas, as well as practical problem-solving skills.

3.3. **Education systems must adapt to the needs of the labor market**

*Pristina, November 17, 2020* – Education systems and curricula must be closely related to the labor market as they have a direct impact on the development and advancement of the country’s economic direction, therefore they must be updated regularly. This was said, among other things, during a virtual forum organized by the American Chamber of Commerce in Kosovo, during which the change in the demands of employers due to the pandemic was addressed. This virtual forum was organized during the Global Entrepreneurship Week, which is organized under the patronage of the Innovation Center Kosovo (ICK).

Shkumbin Ibraimi, Chief Executive Officer of Mercurius Consulting and moderator of the forum, spoke about the main objectives of education, particularly emphasizing the provision of necessary skills needed to penetrate the labor market while adding that the mission of education in Kosovo becomes more important when considering the economy we enjoy today, which is innovation-oriented.

Agron Bajraktari, Chairperson of the Board of the National Qualifications Authority, stressed that the coordination of education with the labor market is important and has a great impact on the joint success of both teachers and future entrepreneurs who need to benefit the knowledge necessary for accessing the market during their schooling years, as well as through internships. Bajraktari further added that the genuine connection between education and the market increases the level of employment of students in the fields for which they are prepared for.

Greta Kamberi, the Recruitment Specialist at Gjirafa, emphasized that adapting market demands to the preparation of students during academic years, in addition to being very necessary, also facilitates the work of businesses as a result of facilitating the process of finding the right talent. Speaking from the aspect of the employer, Kamberi stated that cooperation with universities is very fruitful in finding talent, considering that the labor market in Kosovo is small. She further added that this process depends not only on the university curricula but also on the personal desire of the individual for advancement and preparation during their schooling years.
3.4. Barriers in access to finance hinder the development of new businesses

Prishtina, November 17, 2020 – An important part of the development of entrepreneurship, innovation, and new businesses in the country is undoubtedly access to finance. A healthy financial ecosystem which provides the desired levels of access to finance allows the creation of new businesses, and allows them to take advantage of opportunities to develop, increase employment levels, and contribute to the state budget through paying taxes. These were said during a virtual forum organized by the American Chamber of Commerce during the Global Entrepreneurship Week, which is organized under the patronage of the Innovation Center Kosovo (ICK).

Bersant Disha, Chief Executive Officer of Recura, as well as moderator of the forum, named access to finance as one of the biggest challenges for the development of businesses in the country for both well-established businesses and startups, whereas referring to recent reports that provide an overview of Kosovo’s economy, he emphasized that the banking sector is quite stable and has large reserves of liquidity.

Ramis Ahmetaj, Business Consultant, while referring to the challenges new businesses face, emphasized that the vast majority of new businesses are financed by their founders’ personal funds, as a result of the inability to access finance, while highlighting the drastic decline of debt and credit costs over the last few years as a positive aspect. He further stressed that one of the main factors considered before providing funds in the form of business loans, is the level of risk. Ahmetaj also stated that in order to create the necessary conditions for supporting startup businesses through other methods besides lending, financial intermediation within the banking sector should be increased.

Armend Haxhiu, Head of Business Department at ProCredit Bank, emphasized that startup businesses carry a greater financial risk burden, and as a result their access to finance and credit from banking institutions is limited so as not to jeopardize the deposits of the banks’ customers. Haxhiu stressed that in terms of the support provided by banks, startup businesses created by corporations which are well-established in the market have an advantage as a result of higher credibility. Further, speaking from the perspective of the bank he represents, Haxhiu stated that the requirements for financing projects in sectors such as renewable energy and exports’ contracts have increased.

3.5. Pandemic creates opportunities for startups

Prishtina, November 17, 2020 – Starting up a business is quite challenging even in normal circumstances, however, despite the challenges it has caused, COVID-19 has also created new opportunities and inspired ideas for new businesses. This was said, among other things, during a virtual forum organized in continuation of the Global Entrepreneurship Week activities, by the Innovation Centre Kosovo (ICK) and the American Chamber of Commerce in Kosovo, during which, the creation of new businesses amid a pandemic was discussed.

Mimika Dobroshi, Founder of Click Flick, a digital platform that offers entertaining animations for young children, stated that as an entrepreneur she considered the COVID-19 pandemic period as the right time to implement this business as according to her, in a stable economy, there’s a major decrease in investments in innovation whereas during a recession, the economic crisis increases the corporative need for such investments thus creating opportunities for new businesses. While speaking of the genesis and the idea behind the creation of Click Flick, she stated that this digital platform was encouraged by the need to keep young children both active and entertained during quarantine but also for offering them access to better, more educational programs in Albanian.

Ardin Badivuku, Co-Founder of the Get Fast Cast platform which offers the profiles of models, actors as well as movie extras for various video productions, while through sharing his journey towards the implementation of this platform he emphasized that the quarantine, as a protective measure against the spread of the pandemic has served as an opportunity for the proper ideation and research regarding market needs for the services offered by this business. Badivuku also said that such platforms also exist in foreign markets and make the work of film directors much easier, as well as serve the entertainment and marketing industries. Further, he also mentioned that among others, one of the main goals of this business is penetrating international markets through digital marketing and promotion through social media platforms.
Entrepreneur Blerina Hasani – Gashi while elaborating on her business The Finks which is now part of the Business Incubator within the Innovation Centre Kosovo, stated that the period of quarantine has marked the beginning of the implementation of this business. She emphasized that the idea behind The Finks, which in essence has digitalized the processes of printing documents as well as photographs was driven by the digitalization of work processes as well their transfer to be done remotely. Furthermore, she added that during her preparation for penetrating the entrepreneurship world, she has benefited greatly from being part of Business Incubator within the Innovation Centre, where she especially mentioned the training sessions, exchanging experiences as well as the development of the skills necessary for the development and their establishment in the market.

The Global Entrepreneurship Week in Kosovo is organized under the patronage of ICK.

3.6. Inclusion of women in the ICT sector marking increase

Prishtina, November 17, 2020 – The American Chamber of Commerce in Kosovo, in cooperation with AAB College organized a virtual forum during which the extraordinary technological revolution that is characterizing the period following the outbreak of the pandemic was discussed, with a special focus on addressing the need for promotion of inclusion of women in this sector. This virtual forum was organized during the Global Entrepreneurship Week, which is organized under the patronage of the Innovation Center Kosovo (ICK).

Valdete Daku, Software and Database Engineer at AAB College, highlighted the increase of women participation in the technology sector on a yearly basis as a positive aspect. According to her, women in general should have the opportunity to properly use technology and the benefits that this sector brings, in which case she mentioned the continuous development of this field that affects the comprehensive advancement of women in the professional aspect. Daku further said that the presence of foreign companies in Kosovo which are well-established in international markets increases the opportunities for the inclusion of women in this sector.

Nita Pallaska, Project Manager for Software Development at Kosbit, pointed out that women in general are at a disadvantage in terms of employment in key positions within companies as a result of maternity leave and social issues that create reluctance among employers when hiring women. According to her, the Government of Kosovo and other relevant institutions should work harder to eliminate barriers and gender discrimination in recruitment and salaries. Referring to her experiences, Pallaska recommended to all women aiming at the technology sector to turn to organizations and relevant stakeholders in this field as well as to fully utilize the network and opportunities which exist in the local market.

Gresa Lahi, DevOps Manager at Prosperoware, stated that the promotion of women's involvement in sectors such as technology is insufficient, adding that more work needs to be done in this regard. Another issue she raised was the need to increase the level of knowledge regarding this sector, in particular about the sub-areas and divisions that make up the technology sector in order for women to be better prepared to enter the labor market. In this regard, she recommended the establishment and promotion of training sessions and courses for vocational training of women, for which support from the state of Kosovo is required.

3.7. Entrepreneurial mindset is a key factor for business excellence in the market

Prishtina, November 18, 2020 – The entrepreneurial mindset and the strategies applied in doing business are the factors that distinguish entrepreneurs in the sector in which they operate. The development of this mindset brings great benefits to the general well-being of the country and the youth in particular, as it facilitates and improves the environment of doing business and positively affects job creation. These were said, among other things, during a virtual forum organized by the American Chamber of Commerce in Kosovo, in the course of activities within the Global Entrepreneurship Week, which is organized under the patronage of the Innovation Center Kosovo (ICK).

Arianit Fazliu, Chief Executive Officer at Kutia, as well as moderator of this forum, stressed the importance of having an entrepreneurial mindset while adding that it should be developed continuously. According to him, with the presence of entrepreneurship in the country, the well-being of the youth increases, whereas
the entrepreneurial spirit should be passed on to the younger generations by facilitating the establishment and operation of enterprises at a regional level.

Driton Hapçi, Entrepreneur and Co-Founder of the companies Cacttus and Recura, stated that the entrepreneurial mindset consists of a set of skills, knowledge and human characteristics that can be acquired in both public and private educational systems. According to him, the Kosovar society needs to change some of the concepts of formal and non-formal education in order to develop this kind of mindset, while emphasizing the inclusion of interaction, cooperation, and developing a listening culture and critical thinking among young people. He further added that a more stimulating environment for the development of entrepreneurship exists now in Kosovo compared to previous years, as well as more accessible activities in this field where the youth can be involved for the development of entrepreneurship and strategic thinking.

Denis Gafuri, CEO of Denis Gafuri Consulting, mentioned that one of the factors that can hinder the development of this mindset is having the wrong approach towards it in educational institutions as well as in family culture, while emphasizing the reluctance of young entrepreneurs to present their ideas. Further, Gafuri stressed that in order to encourage the country’s youth to develop an entrepreneurial mindset, a more positive approach should be implemented within education systems. Referring to the challenges faced by entrepreneurs during the establishment of businesses, he added that more work should be done towards the elimination of bureaucratic procedures and the utilization of space for conducting business activities. Finally, Gafuri recommended to the youth that aims at developing a career in entrepreneurship, to develop and implement this kind of mindset as well as dare to step out of their comfort zone to create something new.

3.8. Kosovo has a comparative advantage in terms of business registration

*Prishtina, 18 November 2020* – Choosing and implementing a business structure is one of the most important steps for an entrepreneur who aims to penetrate the market, whereas Kosovar legislation is quite modern in this regard. This was said during a virtual forum organized by the American Chamber of Commerce in Kosovo within the Global Entrepreneurship Week, which was moderated by Fadil Sahiti, professor of management at RIT Kosovo. The Global Entrepreneurship Week is organized under the patronage of the Innovation Center Kosovo (ICK).

Ardi Shita, Partner at law firm Shita & Ibrahimaga, stressed that following the economic development of the country in recent years, awareness has been raised regarding business models and the need for their implementation. According to him, Kosovo’s law in this regard is quite modern and offers flexibility for business registration, and this is an advantage over other countries in the region. Shita also pointed out to young entrepreneurs that unlike other countries, the Republic of Kosovo does not recognize unregistered businesses as legal, therefore, conducting business activity only through the fiscal number can be recognized as a criminal offense. Furthermore, he mentioned the fact that the most recommended form and business structure in the country is that of Limited Liability Company (LLC).

Shkëmb Gashi, Manager for Assurance at Ernst and Young Kosovo, stated that until recently, most of the businesses opened by young entrepreneurs were individual, due to lack of knowledge of business models and their advantages or disadvantages. Regarding the advantages brought by the model of LLCs based on the local economy and market, Gashi mentioned that they offer greater access to human resources, and operate through separate responsibilities. Moreover, Gashi elaborated on the business registration procedures according to the chosen structure, which require different procedures according to the law in force.

3.9. Kosovo to invest in professional advancement of teachers

*Prishtina, November 19, 2020* – The education system is one of the main pillars which the development of a nation relies upon, therefore, special focus should be paid to the step-by-step updating of education systems, vocational training and teaching methodology. This was said in a virtual forum regarding innovation in teaching processes, organized by the American Chamber of Commerce in Kosovo during the Global Entrepreneurship Week, which is organized under the patronage of the Innovation Center Kosovo (ICK).
Brian Kissman, Head of the American School of Kosovo stated that one of the main contributing factors for the success of students in an economic, social, and emotional aspect comes from the abilities and quality of teaching. According to him, in order to make a real difference, we must support teachers in their professional advancement. Referring to the school he runs, Kissman mentioned that some of the methods they use for effective teaching are the encouragement of reading as well as the interpretation of the lessons they learned. He further stressed that a priority of the education system in the country is the readiness to accept and implement the necessary changes to make the education sector in Kosovo as modern as possible.

Venera Llunji, Vice Rector of AAB College, stated that education faces challenges at all times and in every country of the world, where she also mentioned the transfer of processes of distance learning processes, and digital transformation. Llunji added that aspects that need to be strengthened further must be identified and worked harder on, in which case she mentioned training in the use of technology and the changes to the curricula in order to adapt to the situation created by the COVID-19 pandemic. According to her, another issue that needs to be taken more seriously by the state and relevant stakeholders is the investment in teachers as well as the promotion and implementation of innovation in teaching processes.

3.10. Smart technologies help modernization of agricultural practices

_Prishtina, November 19, 2020_ – Agriculture remains one of the most promising sectors for the development of the country’s economy. Its further advancement can be made possible by integrating smart technologies that facilitate agricultural processes and increase farmer productivity. These were said, among other things, during a virtual forum organized by the American Chamber of Commerce in Kosovo, in partnership with the U.S. Embassy in Kosovo, and the USAID Agricultural Growth and Rural Opportunities (AGRO) Program in which the advantages of integrating technology in agriculture were discussed.

Fatmir Selimi, Chief of Party at USAID Agricultural Growth and Rural Opportunities Program (AGRO), as well as moderator of this forum, stated that among the key activities of AGRO program is the promotion of the adoption of new technologies in the agricultural sector, aimed at increasing the quality of production. He also noted that agriculture is already a very important and influential sector for the economy.

Armend Skeja, CEO of Agmia Fruits, stated that without the use of technology for the development of agricultural crops, the potential of this sector cannot be fully utilized. Speaking about the practices of the company he leads, Skeja mentioned the use of weather forecasting stations, which have helped the company a lot when planning their agricultural activities according to the forecasted climatic conditions. He also mentioned the implementation of a software for managing the farms, something he recommended to all farmers in the country. According to Skeja, the use of drones which provide a better overview of arable land and facilitate the identification of diseased crops is also highly recommended.

Endrit Ameti, CEO of Biotech Agriculture said that the promotion of smart technology in agriculture will increase the attractiveness of the sector, thus encouraging the country’s youth to be involved in it, and positively contributing to the sustainable development of Kosovo’s economy. Ameti also spoke about the activities of Biotech Agriculture, which include the implementation of smart greenhouses and irrigation systems that help farmers increase the fertility of their arable lands.

Yll Hoxha, owner of Santefruit, stressed that despite the integration of technology in agriculture, this sector still lacks support in terms of analysis, which prevents the full utilization of agricultural technology. Referring to the damage caused by climatic conditions recently, Hoxha stated that such factors should be taken into account especially by investors, because these changes have led to an increase of hails in Kosovo, which, however predictable, cause damages to the crops.

This virtual forum was organized within the Global Entrepreneurship Week, which in Kosovo is organized under the leadership of the Innovation Centre Kosovo (ICK).

3.11. Blin Zeqiri shares his journey towards success

_Pristina, November 19, 2020_ – The American Chamber of Commerce in Kosovo and the Regional Agency for Development – Center, organized an event through which Kosovo youth had the opportunity to meet an entrepreneur and hear their journey towards success first hand. This virtual event was organized within
the activities for the Global Entrepreneurship Week, which is organized under the leadership of the Innovation Center in Kosovo (ICK).

Blin Zeqiri, the entrepreneur from Art House, shared his journey towards success, where he stressed that the experience and knowledge gained during studies abroad and their implementation in the country have been key factors for penetration in the local market. Referring to the role of entrepreneurship in the economy and well-being of a country, he stressed that nowadays, the development and implementation of innovative ideas in Kosovo is easier as a result of globalization and digital transformation.

Moreover, Zeqiri recommended the young people in the country who have entrepreneurial ideas and goals, to work towards them as well as to learn from their mistakes. Another issue raised by Zeqiri was gender inclusion, where he stated that the company, he runs is always seeking to increase the employment of women. In this regard, he stressed that the approach to entrepreneurial aspirations needs to be of a more supportive and equal nature in general.

Lastly, Zeqiri recommended the youth to follow their aspirations, work towards their professional advancement, as well as follow the example of practices of foreign countries, and modify them to adapt to Kosovo market so as to develop entrepreneurship.

3.12. Government aims to strengthen the development of entrepreneurship

Prishtina, November 20, 2020 – Continuing with the activities of the Global Entrepreneurship Week, the American Chamber of Commerce in Kosovo in cooperation with Innovation Centre Kosovo (ICK) organized a virtual forum on shaping state policies to promote entrepreneurship in Kosovo, with the Deputy Prime Minister of the Republic of Kosovo, Besnik Tahiri.

Focusing on the inclusion of entrepreneurship within the Ministry of Economy and Environment, Deputy Prime Minister Tahiri stressed that within the budget planned for next year, special emphasis will be given to the promotion and strengthening of entrepreneurship, by creating facilities for the implementation of innovative ideas.

“The government, having this axis, or this important pillar of the country's economy within the Ministry of Economy and Environment has a certain plan, but on the other hand with the Law on Economic Recovery there are some policies that will support, stimulate and subsidize innovative ideas for entrepreneurship in Kosovo,” said Deputy Prime Minister Tahiri.

Further on, referring to the changes implemented in order to adapt to the COVID-19 pandemic, the Deputy Prime Minister spoke about the Law on Electronic Signatures, which enables the performance of a wide range of services without the need for physical presence, which he described as a relief for citizens, which can also stimulate innovation, job creation and economic development. Further, Tahiri stated that within the Government of Kosovo, there is a Program for Reducing the Administrative Burden that will operate for a period of eight years, with the aim to immediately intervene to reduce, or fully eradicate administrative barriers that hinder the development of the private sector.

Global Entrepreneurship Week in Kosovo is organized under the leadership of Innovation Center Kosovo (ICK).

3.13. VET sector needs to increase its participation in entrepreneurial ecosystem

Prishtina, November 20, 2020 – The professional advancement of the youth of the country should be a priority of education institutions in order for the labor market demand to be met, both in the public and the private sector. This was said during a virtual forum organized by the American Chamber of Commerce in Kosovo and the Regional Development Agency – Center, in continuation of the activities organized for the Global Entrepreneurship Week, which in Kosovo, is organized under the leadership of the Innovation Centre Kosovo (ICK).

Erald Pashaj, CEO of EPPC Albania & Kosova and also moderator of the forum, while referring to statistics compiled by the company he runs, stated that a large percentage of young people are inclined to seek jobs
in the countries of the region, driven by higher wages, while he described the rather small number of young people who are private-sector-oriented, aiming to become entrepreneurs as quite worrying.

Zelushe Ramadani, Executive Director of the Youth Center in Obiliq, stated that during the Global Entrepreneurship Week, the center she leads has organized various entrepreneurship training sessions for the youth of this municipality, aimed at training them to create a business plan and start a business. Ramadani also described the tendency of the vast majority of youth to seek for jobs in the public sector and their low interest for the private sector as troubling. She also mentioned the need to further build the capacities of the vocational schools in Obiliq, in order to enable the completion of internships within these schools.

Atdhe Gashi, Representative of the Human Resources Department at NewCo Ferronikeli stressed that the main goal of this company is to identify and create the appropriate policies that promote the employment and sustainable strengthening of the workforce within the company. In this case he also mentioned the cooperation with vocational high schools as well as universities, for finding new talents and further advancing them. Gashi also stated that one of the reasons why young people may be unprepared to enter the labor market is the lack of knowledge about it, which consequently lowers their self-confidence. He also added that the technological aspect has created a discrepancy between the theoretical lessons taught within the educational systems and their application in real life.

3.14. Economic empowerment of all groups key to inclusive development

Prishtina, November 20, 2020 – Inclusive entrepreneurship is imperative for fighting the social as well as financial exclusion of specific groups of society, whereas businesses can play a significant role in incentivizing this process. This was said during a virtual forum organized by the American Chamber of Commerce and the U.S. Embassy in Kosovo, on the theme of inclusion in observance of the Global Entrepreneurship Week.

Valerie Tucker, Economic Officer at the U.S. Embassy in Kosovo, as well as the moderator of this forum noted that equal opportunity for all regardless of race, color, national origin, religion, sex, age, or disability, builds a more peaceful, democratic and prosperous society. She stated that the entrepreneurial spirit does not discriminate based on any identity category, and that everyone should have the opportunity to make their dreams a reality, however, it is recognizable that inequality persists. Tucker further noted that entrepreneurship is the foundation of private sector growth, which leads to better economic outcomes throughout Kosovo, and empowering all groups to build businesses contributes to leadership development, civic engagement, and social inclusion as the exchange of goods and services becomes the exchange of culture and ideas.

Sanela Klimenta, Head of Economic Inclusion and Entrepreneurship Initiatives at the Network of Kosovo Roma, Ashkali and Egyptian Women Organizations RROGRAEK, stated that this organization is established since 2006 and has been dealing with the issue of social inclusion since then. Klimenta noted that recently this organization has implemented a few economic projects aimed at the social economic inclusion, which were made possible with the help of different donors. According to her, one of the biggest barriers that the communities this organization represents face is the language, because in many cases they do not speak Albanian. Klimenta gave special emphasis to the need to further support the economic empowerment of women from the Roma, Ashkali and Egyptian communities, in order to allow for a better social inclusion, as well as support the economy of the country.

Isak Vorgucic, Chief Brewer and Co-owner at Pivdžan Brewery highlighted that he runs this business together with his wife, mentioning that at first it was intended to serve just to a relatively small market. One of the challenges he mentioned about increasing the participation of their product in the market was the need to build trust, because according to him, even now 20 years after the conflict there is not so much trust for products that come from minority areas, adding that it is unusual to have such products in a market that is predominated by Albanians. Nevertheless, Vorgucic mentioned that little by little their business is thriving, and their product is being received well, while he mentioned that now their beer is being sold through a famous market chain in Kosovo. He said that the labels in their product at first were made in Serbian and Albanian, because the law in Kosovo requires to have two both official languages, however, considering that their product targets internationals living in Kosovo, they are now also using English language.
The Global Entrepreneurship Week in Kosovo is organized under the patronage of the Innovation Centre Kosovo.

### 3.15. Supporting young entrepreneurs is imperative for the creation of new jobs

*Prishtina, November 21, 2020* – Supporting the youth in entrepreneurship can greatly contribute to the economic development of the country, now and in the future. The development of entrepreneurship among young people is an important tool for the development of human capital and economic potential, as well as for stimulating sustainable economic growth. This was said, among other things, during a virtual forum organized by the American Chamber of Commerce in Kosovo, in cooperation with Innovation Centre Kosovo (ICK), for the Global Entrepreneurship Week.

The Minister of Culture, Youth and Sports, Vlora Dumoshi, during this forum emphasized that over a thousand young people have benefited from the programs for professional training implemented by the ministry she leads. Furthermore, Minister Dumoshi stated that within her ministry, there is a special strategy and program for the youth within which the age criterion has been increased and volunteering has been strengthened. She also stressed the need to increase the efforts to make the country more attractive to the youth so that we do not face a brain-drain. While relating to the plans of the Ministry she leads, Minister Dumoshi stated that an increase of subsidies for youth in entrepreneurship is planned for the next year.

"As Minister of Culture, Youth and Sports, in particular my main objective has targeted the youth. For the first time this year, 168 young entrepreneurs have benefited, who will directly affect the economic development," stated the Minister.

Dajana Berisha, Executive Director of the Foundation for Civic Initiatives said that the attractiveness of the non-public sector for employment as well as the support for entrepreneurship among young people should be increased in order to create a more sustainable economic growth. Moreover, she spoke about the successes of the organization she leads, where she mentioned the Program for Accelerating Youth Employment in the Agricultural Sector. Referring to the challenges that entrepreneurs face, she mentioned the lack of calls for support, where she also called on relevant ministries and stakeholders to support the innovative ideas of young entrepreneurs, on a continuous basis. Berisha also stressed that it is necessary to have a proper sectoral analysis, through which the youth can better analyze the market and accurately predict their future in the sectors in which they invest.

### 3.16. Municipalities to be more supportive to entrepreneurial ecosystem

*Prishtina, November 22, 2020* – The activities of the American Chamber of Commerce in Kosovo for the Global Entrepreneurship Week organized under the leadership of the Innovation Centre Kosovo, were concluded by discussing the role of municipalities in the development of the entrepreneurial ecosystem.

AmCham Executive Director, Arian Zeka, stated that municipalities play an important role in developing the entrepreneurship ecosystem and entrepreneurial policies, emphasizing the removal of barriers in doing business at a local level, serving as advocates for local businesses at central institutions, but also through the allocation of funds to promote entrepreneurship, which among other things would serve as a motivator for the youth to stay in Kosovo. He also spoke about the valuable role of the Innovation Centre (ICK) in supporting young entrepreneurs, emphasizing that the activities of this organization have caused positive echoes around the world.

The Mayor of Prizren, Mytaher Haskuka, stated that in order to ensure economic development at a local level, within this municipality areas which provide Prizren a strategic advantage such as tourism, manufacturing, agriculture and creative services have been identified. Furthermore, he spoke about the importance of the Innovation and Training Park in Prizren, as well as the potential that this area has in promoting youth entrepreneurship as well as investments in general. Mayor Haskuka also spoke about the functionalization of the ‘one-stop-shop’ service center, in order to facilitate doing business. While talking about human capital, Haskuka advised the youth to develop professional skills according to market needs.
The Mayor of Gjilan, Lutfi Haziri, mentioned the municipalities’ strategic plan for socio-economic development, which focuses on entrepreneurship and increasing the employment of women. He also spoke about the structure and development of businesses in this municipality, emphasizing the ‘zero tariff’ policy through which all taxes except the property tax have been reduced, thus creating a great alleviation for the activities of local businesses. Mayor Haziri stressed that during and after the pandemic, the youth of Gjilan will be supported in sectors such as technology and handicrafts, while adding that work is being done on reactivating the business incubator and developing economic zones within this municipality. Haziri said that Gjilan is in the process towards eliminating bureaucratic administrative procedures, while according to him, it is important to increase the attractiveness of the country for young people, and create opportunities and facilities for investments in Kosovo.

Shpend Lila, Training, Public Relations and Events Manager at the Innovation Centre Kosovo (ICK), placed special emphasis on the need to create recreational, multifunctional spaces accessible to the general public for the development of activities of an entrepreneurial and innovative nature. Lila also expressed concern about the closure of the Ministry of Innovation, which would serve as a single address for the development of enterprises and startup businesses, while in order to ensure proper economic development and promotion of sectors with potential, he recommended the creation of specific incubators according to the profiles of the municipalities, in order to decentralize the focus in the capital and make the development equal.

The American Chamber of Commerce in Kosovo marked the Global Entrepreneurship Week with a total of 16 virtual activities attended by about 50 panelists and an audience of approximately 40,000 people, while topics of discussion included education, inclusion, policies and the entrepreneurial ecosystem. A number of activities were organized in partnership with the U.S. Embassy, the United States Agency for International Development (USAID), the Agency for Regional Development – Center (RDAC), and AAB College.

4. Arbitration

4.1. Arbitration, a fast and efficient method that guarantees dispute resolution

Prishtina, January 29, 2020 – Arbitration as a method for dispute resolution remains an efficient and quick method in comparison to the court. This was concluded during a roundtable organized by the American Chamber of Commerce in Kosovo, where business representatives had the opportunity to discuss with arbitration experts.

Ardi Shita, lawyer and member of the Steering Council of AmCham Arbitration Center, welcomed the fact that today functional arbitration centers exist, and arbitration clauses are included in contracts. He emphasized that the rapid recognition of arbitral decisions by the court facilitates the execution of the decision. As an advantage of this alternative method, Shita mentioned the fast process, and the opportunity of the party to design the process in a manner that best accommodates its requests. According to him, the arbitration clause provided in the contract helps the parties to be more disciplined, which is critical in economic matters.

Njomeza Zejnullahu, Senior Legal Advisor at USAID Commercial Justice Activity stated that USAID sees the promotion of arbitration as very important, given that it plays a significant role in the economic development and attraction of foreign direct investments in the country. She said that the Commercial Justice program aims to strengthen Kosovo’s capacity to resolve commercial disputes and enforce judgments, enhance commercial law, use of alternative dispute mechanisms, and improve public awareness and legal infrastructure. Furthermore, Zejnullahu added that arbitration and the court do not exclude each other. Independent of the creation of a commercial court and the increasing of efficiency in that regard, arbitration has its own role in dispute resolution, and under no circumstance should it be considered as a substitute to the court, but as a fulfillment of it.

Fellenza Limani, Legal Expert for State Advocacy Office, emphasized that arbitration is less usual in cases when public institutions engage in contracts with private parties in a local context. Limani stated that a fear of including arbitration clauses exists among public institutions, due to the fact that there is lack of knowledge on arbitration functions. According to her, it is essential that businesses are more prepared in the field of arbitration, taking into consideration that this method of dispute resolution is a worldwide trend.
in the business field. Moreover, she mentioned the need for a greater interinstitutional coordination, as well as increasing awareness for arbitration.

Arbitration Center of the American Chamber of Commerce in Kosovo will continue organizing roundtable discussions on the benefits of commercial arbitration for businesses, always aiming to raise awareness on the phenomena that can contribute on competitiveness and generally doing business in Kosovo.

4.2. Insurance and banking sectors favor arbitration

Prishtina, May 28, 2020 – The COVID-19 pandemic has imposed changes in the activities of all sectors, including banking and insurance. To deal with the complaints toward banks or insurance companies more quickly and effectively under the current circumstances, arbitration as an alternative method to resolve disputes in these sectors was discussed at the latest virtual forum organized by the American Chamber of Commerce in Kosovo, in cooperation with USAID Commercial Justice Activity.

Sokol Elmazaj, Arbitrator and Chairman of the Steering Council at AmCham Arbitration Center, stated that cases like those between insurance companies and clients related to disputes or compensation and the like, are easy to arbitrate and depend on the involvement of insurance policy within the contract. He added that in terms of the future of dispute resolution in the insurance sector, arbitration will be a great help to the already overwhelmed courts, as a result of the advantages it provides as a dispute resolution procedure. Elmazaj also stated that a cooperation between the Central Bank and the chambers of commerce in Kosovo is of utmost importance in creating a list of arbitrators who could arbitrate even the most specific issues in the insurance sector. He further stressed that Kosovo’s legislation does not prevent the arbitration of disputes that may arise between the lender or the borrower, respectively banks.

Venera Agani, Head of the Division of Complaints of Financial Service Users at the Central Bank of Kosovo, added that the regulation on the use of arbitration by the insurance sector has been in force for a long time within this institution, yet the number of requests for this process has been low. According to her, the use of alternative options is a good option, especially considering the fact that in courts cases can be over-extended. Agani noted that the Central Bank's clients are informed in an advisory manner on arbitration and mediation in addition to the regulation for the insurance sector, while noting that legally, the banks are not covered in this aspect, however an initiative to include them would be welcome.

Sami Mazreku, Chief Executive Officer of the Insurance Association, while mentioning that within this association alternative dispute resolution existed before 2006, including a list of expert arbitrators approved by the Central Bank, stated that the organization he leads, in cooperation with CBK – and the USAID Commercial Justice Activity are working on promoting and applying arbitration and mediation as a more efficient and fast process in making impartial decisions on addressed disputes. He also stressed that all insurance companies in Kosovo have been notified to maintain a clause which specifies that the parties may choose mediation or arbitration before going to court to resolve disputes.

Petrit Balija, Chief Executive Officer of the Association of Banks, stated that since the issue of disputes has existed for a long time, a significant number of unresolved cases in the banking sector, including large monetary values, are found blocked in the judicial system. According to him, with alternative possibilities, those funds would be placed in the function of the country’s economy, nevertheless, so far this process has not been used enough. Balija stressed that the banking sector has included arbitration clauses in its loan agreements, however the latter in accordance with the law is done only with the will of both parties, so business awareness should be raised through chambers of commerce. He added that with the absence of a Commercial Court, the judicial system is handicapped, and given that there are opportunities for increased cases after pandemics, arbitration is a process that must be considered.

4.3. Mediation as an efficient dispute resolution mechanism during COVID19

Prishtina, June 4, 2020 – The COVID-19 pandemic, in addition to its impact on public health and economic activities, has severely affected judicial activities thus causing the accumulation of cases and disputes that cannot be resolved without the presence of parties in court. The use of mediation as an effective method of resolving disputes to facilitate the activity of courts, especially during this time, was the topic of discussion in the latest virtual forum, organized by the American Chamber of Commerce in Kosovo in cooperation with USAID Commercial Justice Activity.
Makifete Saliuka, deputy head of the Kosovo Judicial Council, stressed that because of the pandemic work has been done with reduced capacities, and courts have only dealt with the most urgent cases. According to her, the Court Administration Committee within its crisis management plan has foreseen the possibility for holding court hearings online, where several mediation sessions provided by USAID Commercial Justice Activity have already been conducted. Regarding mediation, Saliuka stressed that the social and economic development, although very welcome, has often led to disagreements between parties, which has affected the need for an alternative method of resolving disputes. She added that mediation as a process should be respected and used by parties and courts as an imperative disposition for resolving family or economic disputes, and that solid foundations of mediation have been laid in Kosovo thus the fundamental right of every person for a fair trial will not be violated.

Faton Morina, chairman of the Chamber of Mediators, stated that mediation in our society began in 2008 and its full functioning as a process was done in 2012, after the licensing of the first mediators by the Ministry of Justice. Morina stressed that as a result of the temporary ban on activities due to the COVID-19 pandemic, the institution he leads has not had an overwhelming workload but they have continued their activities through alternative methods, including online mediation sessions supported by USAID. Morina added that the hearings held online were not very different from cases handled in court and that the advantage of mediation lies in the fact that parties can use it as a more efficient and quick method for resolving disputes. He stressed that so far there is no case of disputes handled through mediation that has been returned for re-treatment, while emphasizing that he hopes that this method will be used more intensively for any kind of dispute.

4.4. Arbitration mitigates business dispute resolution

Prishtina, August 24, 2020 – The Arbitration Center of the American Chamber of Commerce in Kosovo organized a virtual forum on the importance and benefits of arbitration as an alternative dispute resolution method, during which AmCham members had the opportunity to discuss this process with arbitrators Korab Sejdiu, Njomëza Zejnullahu, Fuad El Saddi and Jason Emert. The discussion particularly focused on the settlement of commercial disputes during the pandemic.

Korab Sejdiu, Founding Partner of the law firm Sejdiu&Qerkini, and Arbitrator at AmCham Arbitration Center, while mentioning the challenges that the legal system is facing during the pandemic period, stressed that arbitration as an alternative method of resolving disputes is of vital importance during this time. Sejdiu stated that businesses should not be discouraged by the lack of an arbitration clause, since they can use this dispute resolution process even if it wasn’t initially included in their contract, as long as both parties agree to such a thing. According to him, arbitration awareness campaigns should be strengthened further, because despite the efficiency of the courts under normal circumstances, arbitration is always an accessible and flexible process.

Njomëza Zejnullahu, Arbitrator at AmCham Arbitration Center, as well as Senior Legal Advisor at USAID Commercial Justice program, stressed that this program is constantly in support of relevant stakeholders for promoting the arbitration process and the establishment of the Commercial Court. Zejnullahu emphasized that arbitration as an alternative process for resolving disputes does not clash with the work of the courts, but in fact supports and supplements them. According to her, having a court that deals with issues of a commercial nature and co-exists with arbitration will be very beneficial for Kosovar businesses. Furthermore, Zejnullahu stated that USAID Commercial Justice program is working closely with Kosovo institutions, AmCham and other stakeholders to promote arbitration as an alternative method of resolving commercial disputes.

Jason Emmert, Arbitrator and Managing Director of Emert Group U.S. stressed that the COVID-19 pandemic has imposed a transformation of legal processes even in the United States, which so far had functioned in a traditional physical way. He stressed that commercial courts and arbitration benefit from each other as arbitration eases the burden of the courts, while this period of pandemic will only strengthen dispute resolution mechanisms. Emmert also pointed out that Kosovo has benefited a lot from its recognition thanks to sports, so arbitration which includes sports law is very necessary, given that some violations in sports law are more easily dealt with through this mechanism than through courts.
Fouad El Saddi, Arbitrator in AmCham Arbitration Center and Managing Partner of Saddi Law Office in Beirut stated that in every crisis or challenge there is an opportunity for development. According to him, because the courts are overloaded and cannot handle all cases, arbitration is being promoted along with other alternative methods for resolving disputes. He pointed out that COVID-19 has created a good opportunity for the development of arbitration as the most appropriate method for resolving disputes, while sharing with forum participants that in the state of Lebanon arbitration is being promoted through examples of cases resolved through this method.

4.5. **Minister Selimi promotes benefits of arbitration**

*Prishtina, November 13, 2020* – The Commercial Court represents a very important advantage for the field of doing business as it offers the resolution of commercial disputes without prolonging inter-institutional decision-making, a challenge that businesses have been faced with so far. However, another very favorable process for businesses is that of arbitration. This was said during a virtual forum organized by the American Chamber of Commerce in Kosovo, and the USAID Commercial Justice Activity, with the Minister of Justice of the Republic of Kosovo, Selim Selimi.

The Minister of Justice Selim Selimi, during this discussion, stressed that the Ministry he leads is now in the final stages of preparing the Draft Law on the Commercial Court. He also stressed that the functioning of this Court is creating a new pillar for the justice system in the country, while adding that the articles and chapters that make up this Court, will be enough to release capital and at the same time will make interactions between natural and legal person far more effective in terms of resolving commercial disputes. Elaborating further on the content of the Draft Law, the Minister stressed that the Commercial Court will be the single address for addressing commercial cases, while he also recommended businesses to use arbitration as a fast and effective method for resolving disputes.

Vjosa Shkodra, Deputy Chief of Party, USAID Commercial Justice Activity, stated that the idea and purpose to establish a Commercial Court has been ongoing within the implementation of the program she represents while adding that it is also foreseen within the framework of the functional review of the rule of law. Referring to the processes carried out towards the establishment of this court, Shkodra mentioned that the rights of businesses are guaranteed by the Constitution of the country while emphasizing that in addition to the legal space for dealing with certain issues, the execution of decisions or their reversal in enforcement procedures when businesses are in the process of a dispute. Further, she added that a larger number of judges has been requested for the Commercial Court, which could help to address one of the main issues the judicial system has encountered so far.

Jason Emert, the arbitrator at AmCham’s Arbitration Center said that arbitration and the Commercial Court go hand in hand while also emphasizing the advantages that arbitration brings in resolving commercial disputes. Referring to the implementation of arbitration in the United States, Emert stated that there has been a positive trend in the use of this method, and while relating to the activity taking place in Kosovo for the establishment of the Commercial Court, he described it as very important for the activity and field of doing business in the country.

5. **COMMERCIAL JUSTICE DAYS: ARBITRATION IN FOCUS**

5.1. **AmCham and USAID CJA Program organize commercial justice days**

*Prishtina, December 14, 2020* – The American Chamber of Commerce in Kosovo in cooperation with USAID Commercial Justice Activity Program are organizing the Commercial Justice Days: Arbitration in Focus activity during which a series of virtual events is going to take place, with purpose of awareness raising of businesses on alternative resolution mechanisms of commercial disputes.

The very first event was focused on the development of arbitration in Kosovo, and the benefits it brings to businesses, as well as the economic growth.

USAID CJA Program Chief of Party Christopher Thompson said that this program in collaboration with arbitration centers in the country are supporting the improvement and development of the commercial dispute settlement legislation, through alternative methods, namely through arbitration and mediation,
which will among others help improve the investment environment as well. Thompson said that having in mind the backlog of courts, bureaucratic processes and lengthy settlement of disputes in courts, arbitration provides numerous benefits and facilities in overcoming the barriers towards a final resolution of disputes between the parties.

Talking about the establishment of the Commercial Court, Thompson emphasized that arbitration does not hinder the future operations of the court, nevertheless it cooperates with it and facilitates its work, thus enabling a more comprehensive service for the business community in Kosovo. He emphasized that there is limited knowledge on alternative dispute resolution methods, emphasizing the need for continuous awareness raising on arbitration and other more time and cost efficient methods. Finally, he recommended the inclusion of arbitration clauses in the interparty agreements.

Ardi Shita, attorney at law and Member of the Steering Council of AmCham Kosovo Arbitration Center emphasized that the considerable progress marked over the years in Kosovo over a functional arbitration and mediation system. According to him, despite the fact that larger contracts with more serious investors in principle end up in arbitration because of the arbitration clauses included in these agreements, this practice needs to be established within smaller amount commercial disputes.

Shita emphasized that thanks to the continuous efforts of arbitration centers, such as AmCham Kosovo Arbitration Center, a considerable progress was marked on inclusion of the arbitration clause, which will necessarily impact the dispute settlement as well.

In addition, Shita emphasized that the Commercial Court poses an important initiative in the country and that it should be addressed with urgency because of the unstable political situation. He emphasized that Kosovo recognizes and executes all arbitration decisions including the international ones.

The events to take place during the four other days of the commercial justice activity will feature panel discussions on other industry specific arbitration-related topics.

5.2. Arbitration is more advantageous compared to courts

Pristina, December 15, 2020 – There are often dilemmas among businesses and professionals regarding options for resolving business disputes, respectively between the court and arbitration as an alternative method, therefore, during the activity “Commercial Justice Days: Arbitration in Focus” organized by the American Chamber of Commerce in Kosovo and the United States Agency for International Development (USAID) Commercial Justice Program, through a virtual forum the pros and cons of arbitration vs courts in terms of resolving commercial disputes were discussed.

Merita Stublla Emini, Attorney-at-law and Arbitrator at AmCham Arbitration Center, said that despite the opportunities offered in both options, arbitration offers the greatest advantages to businesses, as the legal basis, mechanisms and opportunities offered in arbitration are more advanced, simpler, more flexible and faster in relation to the courts. Stublla Emini stressed that based on her information, the legal system in Kosovo currently has 300,000 cases, while the average time for resolving a civil case is seven years, thus discouraging the parties and the overall justice to prevail, and creating high costs for handling cases through the judicial system, as well as affecting the work of businesses. Nevertheless, she stated that this does not mean that we should be against the justice system, but we should be able to change the current conditions in order for justice to be in its trails at the right time.

Sokol Elmazaj, Chairman of the Steering Council of AmCham Arbitration Center noted that after a dispute arises between businesses it is important to know if the parties are interested in finding a solution and continuing their business activity, or are only interested in winning the war. He stated that contractual disputes can emerge from situations that are not necessarily at the will of the parties fulfilling the contract, and often it is economic circumstances that can lead to the inability of a party to fulfill its contractual obligations. Elmazaj stressed that if businesses are interested in quick and flexible dispute resolution, arbitration has more advantages over the court, as the process does not follow rules written on the rock, such as those that the court must follow. He also stressed that Kosovo is currently evaluating the establishment of the Commercial Court, which is a very important step that will help a lot in resolving commercial disputes by the courts.
Vjosa Shkodra, USAID Commercial Justice Program Deputy Chief of Party, noted that the second year of this five-year program is now nearing completion, and that the successes achieved with the current project are tangible and sustainable reforms for the commercial justice system in Kosovo. Shkodra stated that resolving business disputes through the courts is one of the objectives addressed by this project, while mentioning that the procedures for establishing a Commercial Court are extremely good news for businesses, as in addition to resolving disputes, having a court of law also helps in attracting foreign investors. She highlighted that although arbitration has a legal framework, tribunals and arbitrators, without a Commercial Court there is no legal certainty especially for foreign investors, which automatically affects the quality of life for the citizens of Kosovo. The Commercial Justice Days: Arbitration in Focus activity is organized by the American Chamber of Commerce in Kosovo in cooperation with USAID Commercial Justice Activity Program includes a series of virtual forums aimed at raising awareness of businesses on alternative resolution mechanisms for solving commercial disputes.

5.3. Raising awareness on the arbitration procedures is of essential importance

Prishtina, December 16, 2020 – Opportunities to further improve arbitration services were discussed at the next virtual forum organized by the American Chamber of Commerce in Kosovo in cooperation with the United States Agency for International Development (USAID) Commercial Justice Program Activity, within the activity “Commercial Justice Days: Arbitration in Focus”.

Kujtesa Nezaj Shehu, Lawyer and Arbitrator at AmCham Arbitration Center, said that arbitration is a very important process for resolving business disputes, while emphasizing that the establishment of the Commercial Court should not be seen as an obstacle to this process, since arbitration and the court complement each other. Regarding the challenges of arbitration, Nezaj Shehu stressed that there is a lack of access to information regarding the arbitration procedure, especially in Albanian language. She urged businesses not to view arbitration as a private court, as this procedure offers flexibility and opportunities that if used properly by businesses, are able to control the process in the way they see fit in the industry in which they operate.

Fitore Morina, Arbitrator at AmCham Arbitration Center and Lecturer at the Faculty of Law of the University of Prishtina, said that in terms of regulations and other legal acts in the commercial field, AmCham Arbitration Center is regulated in full compliance with international standards in the field of arbitration. She stressed that currently the services offered by this tribunal are dispute resolution services with international elements, as there are also foreign arbitrators. Morina stressed that to be an arbitrator it is not necessary to be a lawyer, which guarantees higher professionalism in resolving disputes that have their own professional specifics. Regarding the arbitration service within AmCham Arbitration Center, she also mentioned the full confidentiality of the process as well as the speed of resolving cases, while saying that for resolving disputes within this tribunal, the parties should describe the clause which specifies that they will resolve any disputes that may arise between them within this tribunal. Morina considered the identification of a mechanism for an easier enforcement of decisions as the main challenge in arbitration proceedings.

Vigan Rogova, Lawyer and Arbitrator at AmCham Arbitration Center, said that his experiences have been very positive in processing arbitration cases in the capacity of an arbitrator, where he mentioned that he evaluates arbitration as a very practical procedure compared to court proceedings. He stressed that within the tribunal of AmCham Arbitration Center the parties have the freedom to choose the procedure, which is a very useful thing. Rogova also stressed that commercial courts and arbitration differ because in regular court proceedings there is a principle of scalability. According to him, currently economic disputes are handled at the Department of Economic Affairs in the Court of Appeals, and then are systematically appealable in this court, while the advantage of arbitration is that the arbitrator’s decision is final, i.e., the first and last instance, and it is very important especially in terms of time, because businesses need quick decisions especially concerning cases of debts. He pointed out that arbitration usually provides a fast procedure, where the decision is made within a short time by an arbitrator or a panel of three arbitrators, among whom usually there is an expert of the relevant field. The main challenge noted by Rogova for arbitration, is the lack of knowledge by the parties about the arbitration proceedings.

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of virtual forums aimed at raising the awareness of businesses on alternative resolution mechanisms for solving commercial disputes.

5.4. Arbitration is very effective for resolving disputes in the financial sector

Prishtina, December 17, 2020 – Arbitration in the financial sector was the topic of discussion in the next virtual forum organized by the American Chamber of Commerce in Kosovo in cooperation with the United States Agency for International Development (USAID) Commercial Justice Program, as part of the activity “Commercial Justice Days: Arbitration in Focus”.

Rea Kryeziu, Senior Legal Specialist at ProCredit Bank, and at the same time moderator of this virtual forum noted that the complexity of the cases in the financial sector is one of the main reasons why there is an increase in arbitration cases worldwide, while stating that maybe in Kosovo more efforts for its promoting are needed considering the reluctance of jurists to direct parties to arbitration, due to a negative connotation that arbitration has had in the investment aspect. She noted that one of the main benefits of this process is that there is no hesitation for recognition of decisions, which is why it is very advantageous, especially for the financial sector.

Njomëza Zenjullahu, Senior Legal Advisor at USAID Commercial Justice Program and Arbitrator at AmCham Arbitration Center, stressed that the project in which she is engaged aims, among other things, to promote and develop arbitration. Zejnullahu said that there are many advantages of arbitration in the financial sector, however, three elements are key to recommending this process within this sector. The first one, according to Zejnullahu, is the recognition of court decisions, since most banks in the country have international reach, and often the recognition and judicial execution of a decision from one state to another is problematic, while through arbitration this works very well for signatory states of the New York convention. The second one, according to her, is the complexity of transactions, which especially in the banking sector are very specific, while the availability of arbitration to engage arbitrators who have expertise in the financial sector is a very big advantage. Whereas, the third issue has to do with confidentiality, since it is more sensitive in the financial sector, and arbitration treats it carefully unlike court proceedings where hearings are public.

Michael Gold, Managing Director at Crimson Capital financial institution, said that based on his experience in various countries, he considers arbitration to be a very effective process, especially from the point of view of financial institutions that have the ability to collect debt faster. Gold stressed that specifically in Kosovo they had a case which would have taken a long time if it had been resolved by the court, so they tried arbitration, and were very satisfied with the process. He stressed that arbitration clauses are already in place in all company contracts, because if such a clause does not exist, other options for resolving disputes should be considered. Further, he stressed that he sees arbitration as a supportive and very efficient process, especially in cases of dispute resolution in the financial sector.

Besa Gashi, Legal Specialist at Raiffeisen Bank, stressed that arbitration as a process for solving dispute resolutions has been quite promoted, and it has a legal basis for development through the Law on Arbitration. Whereas, regarding arbitration in financial institutions and the inclusion of arbitration clause in contracts where subjects are two business entities, Gashi estimated that it greatly facilitates the work of banks, taking into account the complexity of contracts. According to her, the financial sector is not yet practicing the inclusion of arbitration clause in contracts, but with support from different projects and awareness raising campaignes, it will begin to be incorporated. Furthermore, she spoke about the inclusion of the arbitration clause in loan contracts with natural persons, where she said that the European Union has created arbitration for consumers, where other issues are being resolved besides those between business entities. Gashi stressed that the launch of such an initiative in Kosovo would be very positive, and would greatly facilitate the work of the financial sector.

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5.5. Businesses can benefit from inclusion of arbitration clauses in their contracts

Pristina, December 18, 2020 – Arbitration vs. Court’s jurisdiction on possessions was discussed at the closing event of Commercial Justice Days: Arbitration in Focus, organized by the American Chamber of Commerce in Kosovo and the United States Agency for International Development (USAID) Commercial Justice Activity Program.

Njomëza Zejnullahu, Senior Legal Advisor at USAID Commercial Justice Activity, and at the same time moderator of this forum, noted that a marathon of roundtables focusing on the arbitration process was organized as part of Commercial Justice Days, aimed at raising awareness among the business community and the public at large on the opportunities offered by arbitration as an alternative method of resolving disputes, by providing as much information as possible and by intending to increase the inclusion of arbitration clauses in business contracts.

The Attorney-at-law Erblina Krasniqi Prishtina, emphasized that arbitration is a great alternative opportunity for resolving disputes outside the regular courts, noting that it saves time for businesses and enables the handling of cases by a tribunal of professionals in relevant fields, which businesses themselves can choose. She stressed that businesses often try not to solve their problems through the courts by using other legal opportunities that are offered in the execution of their contracts. In terms of lease contracts, she mentioned that businesses often use private enforcement through the clause of enforceability to avoid courts. Further, Krasniqi Prishtina emphasized that in Kosovo, foreign businesses are usually very interested in including the arbitration clause in the contracts, however, they are reluctant to contract it in Kosovo.

The Attorney-at-law Taulant Hodaj assessed that there is not necessarily clear legislation that requires local courts to have exclusive jurisdiction in relation to lease and property contracts. He stressed that the Law on Arbitration states that arbitration can deal with any civil-economic relationship, and in this regard, the civil-economic relationship can also be interpreted in matters relating to property disputes, obstruction of possession, as well as rent contracts. However, according to him, specifying property disputes or lease relations in the legislation, and clarifying the powers of the court to resolve such cases is needed. Hodaj also stressed that when dealing with international clients, the inclusion of an arbitration clause in contracts is usually a prerequisite, while there is a greater reluctance on the part of domestic clients. Hodaj mentioned that he has often insisted on convincing domestic businesses that the inclusion of the arbitration clause is in their favor.

6. STATEMENTS AND POSITIONS

6.1. AmCham hails the initiative on resuming Kosovo-Serbia commercial flights

Pristina, January 21, 2020 – The American Chamber of Commerce in Kosovo and Kosovo Chamber of Commerce welcome the recent initiative on resuming of Kosovo-Serbia commercial flights. AmCham and KCC consider this as a step forward in the improvement of the neighborly relations as well as the freedom of movement of people and goods between the countries of the Western Balkans region.

AmCham and KCC reiterate that free trade is an essential factor in enabling economic growth through increased efficiency and innovation, trading opportunities, higher quality and lower priced goods for the consumers of the region, therefore barriers to trade are not in line with the spirit and commitments in the context of free trade agreements, framework of regional cooperation set under the Berlin process, and the commitments undertaken by countries to advance the European integration path.

Regional economic cooperation would only improve the perception of the region in the eyes of foreign investors, therefore, resuming of flights will provide vital economic benefits, and will significantly contribute to the normalization of relations between Kosovo and Serbia, and the wider region.

Finally, AmCham and KCC urge the authorities in Kosovo and Serbia to undertake all the necessary steps to implement the agreement accordingly.
6.2. New Government to pursue a dynamic business reform agenda

*Prishtina, February 3, 2020* – Functional executive and legislative institutions are key in providing a proper economic governance. The American Chamber of Commerce in Kosovo welcomes the formation of the new Government of Kosovo, at a time when the country desperately needs to move forward on its business reform agenda.

AmCham believes that the addressing of human capital related issues, improvement of the rule of law, proper implementation of laws and fighting of corruption should be at the cornerstone of the new Government's agenda, whereas the drafting of a robust national economic development strategy should be one of the very first priorities of the new executive body.

The new Government should guarantee a free-market economy and a level playing field that would allow the domestic and foreign investors to unlock their full potential for an accelerated economic growth, which would lead to new jobs, improved welfare for the citizens, and ultimately a better perspective for everyone.

The American Chamber of Commerce in Kosovo urges the new Government to demonstrate an active role in strengthening its dialogue with the private sector, as it is only through a consistent and an open interaction, that Kosovo can fulfill its economic development goals.

6.3. Economic integration of the region will unlock accelerated growth potential

*Prishtina, February 14, 2020* – The American Chamber of Commerce in Kosovo welcomes the signing of the railway and highway agreement between Kosovo and Serbia authorities.

AmCham strongly believes that this agreement will provide further economic benefits for both countries, and especially the private sector companies operating in each country.

Mutual recognition, unhindered trade and stronger economic ties will only improve the perception of both countries in the eyes of U.S. and other foreign investors.

American Chamber of Commerce in Kosovo emphasizes that every agreement that enables economic integration of the region, unlocks the potential of all countries for an accelerated growth.

6.4. Position on decision on municipalities to ban work on Sundays

*Prishtina, 20 February, 2020* – Private sector is key for an accelerated economic growth, creation of new jobs and fighting of poverty, however policies of the central and municipal level institutions should support and encourage investments of private enterprises, to enable them to play their proper role in improving the socio-economic situation in Kosovo.

The Constitution of the Republic of Kosovo provides for a market economy with free competition as the basis of the economic order of the country. In this regard, initiatives and decisions of the Government and municipalities should be in accordance with the provisions of the constitution, and should in no way hinder the strengthening of the private sector.

The American Chamber of Commerce in Kosovo voices its concerns regarding the decision of several municipal assemblies throughout Kosovo for prohibiting businesses from working on Sundays, which would limit economic activities, and ultimately slow down the economic growth in general.

The American Chamber believes that the limitation of work of businesses will further increase unemployment, in contradiction to the overall efforts of strengthening of the private sector, creation of new jobs and improvement of the welfare of the citizens.

In relation to the rationale of few municipal authorities, AmCham would like to remind that the employer-employee relations, including the working schedule, weekly rest, after hours, weekend and official holiday work, are regulated with the Labor Law, whereas the state authorities should only ensure proper implementation of the respective provisions by the employers.
Finally, the American Chamber of Commerce in Kosovo urges on the municipalities to revisit their decisions, and to take into consideration the concerns of the private sector prior to making any decisions that restricts their operations.

6.5. **AmCham expresses its concern over the recent discourse regarding tariffs**

Prishtina, March 5, 2020 – The American Chamber of Commerce in Kosovo voices its concern over the recent discourse regarding the tariffs that the Republic of Kosovo has imposed on two Western Balkan states. The tariff barriers that countries in this region impose on each other hinder the free movement of goods and people, and delay the progress in their Euro-Atlantic path. In this regard, the unconditional lifting of the tariff decision in accordance with the call of President Trump, Secretary of State Pompeo, and other senior U.S. administration officials, as well as the U.S. Embassy in Kosovo is of imperative importance, and a genuine evidence of a commitment for exceptional relations with the United States of America.

American Chamber would like to remind the institutions of Republic of Kosovo and other political and social stakeholders that the United States of America have played, and continue to play a key role for the freedom, independence and strengthening of the state of Kosovo, through continuous investments for a stronger economy, justice, democratic institutions, as well as defense and security.

A number of U.S. companies contribute actively to the economic development of the country in sectors such as construction and real-estate, energy, healthcare and information technology. On the other hand, the Government of United States of America provides Kosovo direct support through its Agency for International Development (USAID) and the Millennium Challenge Corporation (MCC), whereas Kosovo manufacturers can export over 3,500 products without any customs duties in USA through Generalized System of Preferences (GSP). United Stated of America are the largest contributors in KFOR forces, thus guaranteeing a safe environment and freedom for Kosovo citizens, which is ultimately an indicator of stability and security for foreign investors. On the other hand, the National Guard of Iowa continues its support for Kosovo Security Force under the long-term partnership, thus enabling Kosovo to contribute to the regional security and cooperation.

Finally, the American Chamber of Commerce in Kosovo reiterates its support for the U.S. brokered agreements between Kosovo and Serbia authorities for institution of air and railway connections, as well as investments in road infrastructure, thus voicing its strong belief that the lifting of the tariffs will pave the way for a final peace agreement which would result in mutual recognition, unhindered trade and stronger economic ties, which would ultimately improve the perception of both countries in the eyes of foreign investors.

6.6. **Energy liberalization until proper circumstances are created**

Prishtina, March 13, 2020 – Following the announcement of the Energy Regulatory Office for commercial consumers on the voltage level of 35 kV for their obligation that after March 31, 2020 to ensure the appropriate operator for energy supply with unregulated tariffs, American Chamber of Commerce in Kosovo calls on Energy Regulatory Office, the Assembly of the Republic of Kosovo and the Government of the Republic of Kosovo to undertake necessary legal measures to extend this deadline for indefinite time until proper circumstances that would enable energy liberalization are created.

Recalling the request filed a year ago and the decision of the Energy Regulatory Office to extend the deadline for liberalization for a year, AmCham Kosovo points out that over the past twelve month period none of the circumstances that would allow the proper implementation of legal acts which foresee energy liberalization, respectively supply of the abovementioned commercial consumers with energy with unregulated tariffs have changed.

Although several electricity supply operators have been licensed in Kosovo, it should be noted that only one of them has the capacity to function as a supplier of last resort. Under such circumstances of limited supply and obligation to move to a liberalized market, commercial consumers would face limited bargaining power as consumers, causing them to pay electricity tariffs higher than the average of adjusted tariffs. In these circumstances, there is a real possibility that the mentioned operator may abuse with its dominant position, thus violating the principles of a free market economy, which is the basis of the economic regulation of the Republic of Kosovo.
Such situation would aggravate a number of commercial consumers of manufacturing sector and consequently would be in opposition with the efforts for strengthening Kosovo’s manufacturing industry and improving trade balance, in a time when manufacturing enterprises are facing increased competitive pressure from international markets, as well as other legal and regulatory difficulties which prevent their empowerment. The implementation of this decision would worsen Kosovo’s supply for foreign investors.

American Chamber reiterates its concern that from preliminary negotiations with the current supplier, last year the possibility of a 30-70% increase in the price of electricity supply was announced, which implies that an enterprise which has an annual invoice of more than 1 million euros, subject to limited supply and the obligation to enter the liberalized market, would have to pay an additional amount of 300,000 – 700,000 euros, while those consumers who fail to sign an agreement with the supplier could face an increase in energy prices of up to 200%. This undoubtedly, is in contradiction with the benefits of energy liberalization.

Finally, American Chamber of Commerce in Kosovo reiterates its request for the Energy Regulatory Office to postpone the decision on energy liberalization until the electricity market has more functional operators, whereas the request of the aforementioned institutions will also be argued before the Energy Community Secretariat. In case if the Energy Regulatory Office fails to fulfill one of its essential objectives which is protecting the rights of consumers, the chambers of commerce urge the relevant parliamentary committee that supervises the ERO, as well as MPs of the Republic of Kosovo to demand from this regulatory institution to not make decisions that undermine the competitive advantages of manufacturing enterprises, and that hinder the private sector and foreign investors to operate in the Republic of Kosovo.

6.7. AmCham calls on Government to promote dialogue with the private sector

Prishtina, March 14, 2020 – The American Chamber of Commerce in Kosovo and the Kosovo Chamber of Commerce express their gratitude for the swift action of the Government of Kosovo in taking precautionary measures regarding the global COVID-19 pandemic virus.

However, both chambers of commerce are concerned about the impact these measures may have on the country’s economy in general, and on the private sector in particular, especially small and medium-sized enterprises, both because of the constraints but also due to the uncertainties that exist among the public, which among other things cause panic and uncontrolled actions.

In this regard, the American Chamber of Commerce in Kosovo and the Kosovo Chamber of Commerce require from the Government of the country to come up with detailed clarifications regarding the decisions, but also additional measures to protect the companies operating in Kosovo. These measures may include a Government led campaign to raise awareness and to avoid panic and uncontrolled public action.

The government should explain to the general public the decision taken on 13.03.2020 concerning private sector work, as a number of enterprises, especially manufacturing companies, are reporting employees refusing to go to work, citing the Government’s decision. In addition, the Government should exclude from the prohibition of entry all foreign citizens who are drivers of transporting goods vehicles, since the ban on entry of such tools can cause difficulties in the supply chains of goods, including raw materials, and thus hinder the operation of manufacturing industry.

Furthermore, the Government should also discuss with the representatives of the private sector a set of measures that may be taken to subsidize enterprises which, in case of prolongation of this situation, may face difficulties in their operations due to labor restriction, and economic activity decline.

These measures may include extending the deadline for filing and payment of tax liabilities, thereby abolishing interest calculations, imposing penalties and blocking accounts. In addition, the Central Bank of the Republic of Kosovo should decide to suspend the obligations for loan payment for businesses and citizens, as well as their reprogramming, in addition to providing the necessary protection for banking and non-bank financial institutions. Further, the deadline for financial reporting for businesses and non-governmental organizations should be extended, while salaries for employees (at the minimum wage level) should also be subsidized. In the event of limited and deficient capacity for monetary subsidies, financial resources should be provided by international financial organizations that provide financial assistance to all countries affected by COVID-19 to cope with the consequences.
In order to guarantee sufficient supplies of essential items, the Government should decide on the activation of state reserves by assessing the demands of citizens, abolish the excise duty on fuels in order to guarantee sufficient reserves at the state level, and subsidize the manufacturing activities of essential items, such as food and pharmaceuticals products.

In any situation, the American Chamber of Commerce in Kosovo and the Kosovo Chamber of Commerce call on the Government of the country to lead a process of close dialogue with the chambers of commerce, civil society, and individual experts in order to make inclusive decisions.

6.8. Chambers voice their concern regarding restriction of business operations

Prishtina, March 16, 2020 – AmCham and KCC express their concern over obstructing the operation of economic activities across the country in contradiction with yesterday’s decision of the Market Inspectorate which clearly outlines the economic activities of the country which may continue to work even after taking preventive measures against the COVID-19 pandemic virus. Such arbitrary actions impact the increase of confusion caused in recent days, as well as the uncontrolled increase of panic among citizens.

The President of Kosovo Chamber of Commerce, Berat Rukiqi, and the Executive Director of American Chamber of Commerce in Kosovo, Arian Zeka, met with Chief Market Inspector Luizim Syla to address these business concerns and the importance of non-stop economic activity, due to the consequences that this could have in the country’s economy. Chief Inspector Syla, on the other hand, confirmed that yesterday’s decision handed down through a Market Inspectorate circular still remains valid.

AmCham and KCC call on municipal authorities, the Kosovo Police, and all inspection bodies to respect the decision of the Government of the Republic of Kosovo and the Market Inspectorate and not to arbitrarily interfere with the operation of the private enterprises, which are vital in maintaining normal supply for citizens.

Moreover, AmCham and KCC urge the Government of Kosovo to approve the decision for the action plan, in accordance with the proposal made yesterday, which would facilitate the operation of businesses in this emergency situation. On the other hand, both institutions call on commercial enterprises to act responsibly and not abuse by increasing prices in these difficult days.

6.9. Chambers recommend Government to support the private sector

Prishtina, March 23, 2020 – Given the importance of the private sector for generating employment and economic development of the country, the American Chamber of Commerce in Kosovo, Kosovo Chamber of Commerce, German-Kosovar Business Association, the European Investors Council and Kosovo Manufacturing Club, urge the Government of the Republic of Kosovo to develop a package of supportive measures to ensure the survival of the private sector following the outbreak of the COVID-19 pandemic. In this unprecedented situation, the organizations that represent private sector interests consider that the protection of the private sector is vital to maintaining the state’s capacity to generate budget revenues, and therefore, to the well-being of the population.

The aforementioned organizations consider as important that in these difficult days for the country, the Government and other independent institutions should consider the proposed measures aimed at removing market panic and expressing public support from the Government for the private sector for the purpose of maintaining market normality. It is also important to take the necessary measures to ensure sufficient liquidity in the country’s economic system, both in the public and private sectors, through its own resources for partial financing of the measures presented below, but also through working closely with International Financial Institutions to structure the financing of this stimulating program for the private sector in Kosovo. Following the examples of European Union and regional countries, the aforementioned organizations emphasize that the design and implementation of a government support program would help minimize the damages in the economy of the country by saving as many enterprises and jobs as possible.

In coordination with a group of successful financial and legal experts, as well as successful entrepreneurs, business organizations have submitted to the Prime Minister of the Republic of Kosovo a document containing a set of proposed measures in support of the private sector and the country’s economy, which
include priority review of payments by the Treasury for all services and products offered by economic operators as well as immediate execution of all obligations to contractors, compilation of a program to support and stimulate the private sector, which will include a financial package of 5% of Kosovo’s gross domestic product for the emergency and recovery phase. This financial package would serve to cover the operational obligations of businesses, including the payment of salaries, rents and operating expenses, but also to raise capital and develop new financial products offered by the Kosovo Credit Guarantee Fund, as well as to develop other measures to stimulate the functioning of value chains in different sectors of the economy. As part of these measures, it is necessary to establish an immediate direct support fund for enterprises and enterprise employees whose activity has been interrupted or severely affected, after taking preventive measures against the spread of the COVID-19 virus. In order to avoid confusion, but also to provide comprehensive information, it is important to create a portal for the publication of all decisions and announcements relating to preventive measures against COVID-19.

Offering their full readiness to cooperate with relevant institutions in designing the support program, American Chamber of Commerce in Kosovo, Kosovo Chamber of Commerce, German-Kosovar Business Association, the European Investors Council and Kosovo Manufacturing Club assess the immediate response of the Government and other institutions to the above proposals as important, considering that any delay in the implementation of concrete measures in support of the private sector and affected workers would make the recovery from the detrimental effects on the economy all the more expensive.

6.10. Government should allocate € 300 million for emergency stage

Prishtina, March 27, 2020 – Viewing the economic situation created after the outbreak of the COVID-19 pandemic with concern, the American Chamber of Commerce in Kosovo, Kosovo Chamber of Commerce, German-Kosovar Business Association, the European Investors Council and Kosovo Manufacturing Club, urge the acting Government of the Republic of Kosovo to prioritize the presenting of the package of emergency measures in support of enterprises and employees affected by the measures taken against the spread of the pandemic.

Restating their view that private sector protection is vital to a sustainable economy and prosperity, as well as to maintaining the state’s ability to collect budget revenues, the organizations representing private sector interests reiterate the need for compilation and implementation of a government support program aimed at prompt and comprehensive intervention to save jobs.

Given the extremely negative impact that the COVID-19 pandemic has had on the entire economic system and the delay of institutions to assist affected enterprises, a large number of domestic workers will remain without income starting from the month of March. Such a situation would further deepen the already difficult social situation in the country.

Business organizations are therefore asking the Government to approve no later than this week the liquidity program which would include: (1) A financial package of at least EUR 300 million for the emergency phase, (2) Wage subsidies for employees of all enterprises whose activity is severely disrupted or impaired, (3) Subsidies on rental payments to all undertakings whose activity is severely interrupted or withheld, and (4) Subsidy of all other operating expenses for all enterprises whose activity is largely interrupted or hampered.

Business organizations strongly believe that Kosovo has the necessary budgetary capacity for financial intervention, which could be conducted through the reallocation of planned capital investment funds to the projected liquidity program. Moreover, chambers of commerce remind the Government that the debt to GDP ratio is low, which leaves room to raise the level of borrowing in order to maintain economic growth at the desired level.

In addition, acting Government should immediately begin compiling a recovery program for the post COVID-19 pandemic phase, which would include funds from the country’s budget and international financial organizations. Organizations which signed this statement also request the Assembly of Kosovo to support the measures introduced by the acting Government, including the revision of the 2020 budget.

Lastly, Kosovo Chamber of Commerce, American Chamber of Commerce in Kosovo, German-Kosovar Business Association, European Investors Council and Kosovo Manufacturing Club remain committed in
providing their utmost support and expertise in compiling the program, but also in identifying the funds made available for the Governments and the private sector in the countries affected by the pandemic.

6.11. AmCham and KCC urge the acting Government not to infringe free economy

*Pristina, April 4, 2020* – The American Chamber of Commerce in Kosovo and the Kosovo Chamber of Commerce express their concern over ongoing practices of favoring public enterprises, through the erroneous application of the Law on Public Procurement contrary to the Constitution of the Republic of Kosovo.

In this regard, AmCham and Kosovo Chamber of Commerce express their concern regarding Government’s decision to exclude from the scope of the Law on Public Procurement the telecommunications services provided by Telecom of Kosovo as services of special state importance, where the acting Government has directly violated the legal and constitutional provisions for equal treatment of public and private enterprises.

Licensed private operators have the same rights and obligations as all other public operators, so in this regard their treatment should also be non-discriminatory, and this is clearly regulated by the Law on Public Procurement which obliges contracting authorities to address equally all economic operators and prohibits them from performing any activity that reduces or eliminates free competition. Violation of the principles of free competition has already been confirmed by the Kosovo Competition Authority.

The continuous practice of misinterpretation of Article 9.4 of the Law on Public Procurement has violated the operations of private operators by harming them financially and thus endangering their existence, thus conveying a bad message to foreign investors.

AmCham and Kosovo Chamber of Commerce remind the acting Government and other institutions of the Republic of Kosovo that these private operators through their continuous investments have contributed in creating new jobs and providing of quality services.

Therefore, reminding the institutions of their obligation to respect the constitutional and legal provisions, the American Chamber of Commerce in Kosovo and the Kosovo Chamber of Commerce demand the repeal of the aforementioned decision, to refrain from decisions which favor certain enterprises regardless.

6.12. AmCham calls on intensification of the public-private dialogue

*Pristina, April 6, 2020* – The American Chamber of Commerce in Kosovo expresses its strong belief that in the situation in which the country is going through, it is necessary to maintain and intensify public-private dialogue. In this regard, AmCham urges the acting Government to strengthen formal dialogue mechanisms, including the National Council for Economic Development (NCED).

One of the responsibilities of the NCED includes the strengthening the role of the business community in the country’s economic development process, therefore given the unprecedented situation we are going through, it is important for the Council to give its contribution, in order to mitigate the negative impact and minimize the consequences for the private sector and the economy in general.

AmCham emphasizes that state institutions that take into account the constraints and recommendations of the private sector have a greater chance of setting the right priorities and designing and implementing the reform process in line with the needs of the private sector.

Implementing the emergency measures package, and drafting the COVID19 pandemic recovery program, should be done in close cooperation with businesses, organizations representing the interests of the private sector, economic institutes, academia, and individual economic experts. Lastly, the American Chamber of Commerce in Kosovo reiterates its commitment to actively contribute to public-private dialogue, and to support legislative and executive institutions in the policy-making process.
6.13. **AmChams in Europe call for solidarity, coordination and action**

*Pristina, April 8, 2020 –* The world is facing an extraordinary challenge from the outbreak of COVID-19. The pandemic poses a severe threat to the health and wellbeing of citizens and the global economy with harmful consequences for all parts of society.

AmChams in Europe, the umbrella organization for 45 AmChams from 43 countries across Europe and Eurasia, fully support governments’ efforts to tackle the pandemic and mitigate its effects. The mobilization of resources has been unprecedented, and we need continued leadership to address the impact of the crisis on society.

AmChams in Europe call on the governments to focus on solidarity, coordination and action. Since we are all together in this war, the increased sharing of resources and information both globally and between our countries is essential to responding to pandemics successfully. Now is the time to demonstrate the solidarity values that are shared in Europe, across the Atlantic and the rest of the global community.

Additionally, Governments need to enhance coordination across borders and within alliances to ensure a consistent and harmonized approach to the crisis but also to start setting the foundations of the economic recovery. Cooperation at the regional and global levels is vital as governments put together initiatives to protect our economies, and ultimately the livelihood of citizens.

We need bold action to ensure access to critical goods and services we all depend on. In particular, the movement of goods across borders must be unimpeded. Much-needed goods rely on integrated supply-chains for production before they can be delivered to individuals and businesses.

AmChams in Europe, which represents the interests of more than 17,000 American and European companies, employing 20 million workers and accounting for more than $1.1 trillion on both sides of the Atlantic, remains committed to doing everything they can to mobilize their member companies and networks to support the economic recovery. AmChams network is coordinating with colleagues across the European region and around the world to present recommendations for a strong and healthy economic recovery for the prosperity and well-being of all our citizens and businesses.

6.14. **Chambers demands movement permission for supply companies**

*Pristina, April 12, 2020 –* After placing the city of Prishtina under quarantine, the American Chamber of Commerce in Kosovo and the Kosovo Chamber of Commerce require from the acting Government of the Republic of Kosovo, respectively the Ministry of Internal Affairs and Public Administration and the Ministry of Economy, Labor, Trade, Industry, Entrepreneurship and Strategic Investments, to urgently issue an instruction to eliminate the uncertainties that exist among enterprises.

Such an instruction will regard to the movement of employees and goods from Prishtina to other municipalities and vice versa for all enterprises which exercise the activity of supply and transport of goods. Field information warn of absolute restrictions on entry and exit to and from the city of Prishtina from law enforcement agencies, thus issuing a relevant instruction would guarantee uniform treatment for all enterprises.

Such a restriction would be a major blow to the economic activity of the vast majority of private enterprises, thus it is necessary to determine the modalities of movement permission of employees and goods, in order to avoid difficulties in supplying essential products for all citizens of Kosovo.

6.15. **All Emergency Fiscal Package measures to be implemented immediately**

*Pristina, May 20, 2020 –* American Chamber of Commerce in Kosovo, Kosovo Chamber of Commerce, and the European Investors Council express their concern regarding the negative impact of the restrictive measures in the economic activities intent on combating the spread of the COVID-19 pandemic for all Kosovo enterprises.
All three organizations that represent the interests of the private sector, signatories of this declaration, believe that in order to alleviate the negative effects of the affected enterprises and employees, the acting Government must fully implement as soon as possible all measures in the Emergency Fiscal Package.

AmCham, KCC and EIC stress that due to the restrictive measures within the country and in regional and international supply chains, many manufacturing enterprises in Kosovo are facing many difficulties, while several of them have completely halted their activities. These difficulties are related to the decline in domestic and foreign demand in the case of exporting enterprises. The decline in revenues of these enterprises makes it harder to cover their operative expenses, including here wages, which consequently jeopardizes the reduction of wages for employees or the closure of jobs and also the deepening of the country's trade deficit.

In order to support exporting enterprises already few in number, the Ministry of Finance and Transfers must immediately begin implementing the measure number 13 to support exporters in Kosovo, for what is required by MEETIESI to urgently start the consultation process with MFT, KIESA, TAK, Customs and Chambers of Commerce to determine the criteria for providing support to exporters from Kosovo, as noted by the operational plan for the implementation of the Emergency Fiscal Package.

Delays in disbursing the sum of 10 million euros to exporters will minimize their potential impact on the economy due to the escalation of damages to these enterprises, which have played a valuable role in the economic development of the country, under the conditions of numerous barriers as well as numerous prejudices they have faced related to the poor image of Kosovo.

Finally, the American Chamber of Commerce in Kosovo, Kosovo Chamber of Commerce, and the European Investors Council, reiterating once again the need for swift action, restate their sincere commitment to constructive partnership with the acting Government.

### 6.16. New government must focus on post-pandemic recovery

*Pristina, June 3, 2020* - The American Chamber of Commerce in Kosovo welcomes the establishment of the new Government of Kosovo at a time when the country is in dire need of advancing the business reform agenda. Coping with the consequences of COVID-19 in the economy as well as a dynamic legislative process must be the top priorities of the new Government of the Republic of Kosovo.

The approval of a comprehensive economic recovery package which must be a product created through a dialogue process with all important stakeholders in Kosovo must be of tremendous importance. The package should provide proportional coverage of the damage caused to all sectors after the outbreak of COVID-19 pandemic, but at the same time serve as a framework for the overall restructuring of the country's economy.

The American Chamber of Commerce reiterates its earlier position that the new Government’s program must highlight the addressing and resolving of issues related to the human capital, namely reducing the skills gap, functionalizing the rule of law, and removing barriers on the free movement of goods, services and capital, as well as continuous reforming of the business environment which would be a stimulus for foreign and domestic investment.

Active public-private dialogue through existing or new mechanisms must enable the addressing of difficulties faced by foreign investors, as well as private sector enterprises in general.

The American Chamber of Commerce in Kosovo believes that only through close cooperation between all political and non-political stakeholders, Kosovo can achieve its goals regarding sustainable economic development.

### 6.17. AmCham welcomes Kosovo’s decision to remove trade barriers

*Pristina, June 8, 2020* - Full economic integration of the Western Balkans region affects the increase of trade, the promotion of the potential for attracting direct foreign investment and consequently the creation of new jobs for each state of this region.
In this regard, the American Chamber of Commerce welcomes today's decision of the Government of the Republic of Kosovo to abolish barriers on free movement of goods, assessing this as an important step in regional economic integration, but also in improving neighborly relations between the states of the Balkans, as a precondition for the advancement of Euro-Atlantic path of the Balkan states.

Today's decision by the Government of Kosovo is also a response to calls from President Trump, Secretary of State Pompeo, other senior U.S. administration officials and the U.S. Embassy in Kosovo, as well as evidence of Kosovo's commitment to strong strategic relations with the United States of America.

The American Chamber of Commerce in Kosovo reiterates that mutual recognition, trade without barriers and the establishment of economic ties would improve the perception of Kosovo and other Balkan countries in the eyes of American and other foreign investors.

Finally, the American Chamber of Commerce reiterates its position on the implementation of agreements on air, rail, and road traffic between Kosovo and Serbia, which would enable the strengthening of the private sector and unlock the potential of both countries for accelerated economic growth as well as rapid economic recovery after the COVID-19 pandemic.

6.18. AmCham & KCC confirm their partnership with the Government of Kosovo

Prishtina, June 8, 2020 - The Kosovo Chamber of Commerce and the American Chamber of Commerce in Kosovo reaffirm their readiness for constructive partnership with the Government of the Republic of Kosovo, emphasizing that addressing health and economic consequences after the outbreak of COVID-19 must be among top priorities. The two chambers of commerce emphasize that removing barriers in trade, strengthening dialogue through existing mechanisms and above all, approving a recovery package must be at the top of the new Government's agenda.

In this regard, the Kosovo Chamber of Commerce and the American Chamber of Commerce welcome today's decision of the Government of Kosovo to abolish trade barriers, a step that would enable greater regional economic cooperation but also better inter-neighborly relations. Eliminating tariff and non-tariff barriers, as well as advancing the movement of goods, services, people and capital between the Balkan states, would increase the prospects of attracting direct foreign investment and sustainable economic development.

Furthermore, the two chambers of commerce express strong confidence that Kosovo needs a National Pact on Economic Development, which in addition to building the economic recovery framework would also help address issues that have obstructed Kosovo's sustainable economic development thus focusing support in the manufacturing sector, especially in enterprises with export potential, but also in the services sector with a focus on information technology enterprises. In this regard, the structured intervention in the sector of academic and professional education is inevitable in order to address the greatest demands in the labor market, with attention to the features and behaviors of the younger generations, but also the needs of the labor market as well as the priorities of the National Economic Transformation Pact.

The new economic model will mean that sectors with competitive potential and follow-up services for these sectors must go through a holistic process of digital transformation. A new development model requires the advancement of existing financial system instruments to increase capital in the market, through the creation of investment funds, which can accumulate funds from citizens, businesses, diaspora and local and international financial institutions.

Furthermore, both business organizations believe that the recovery package must include amendment of the legal framework, respectively the issuance of new legal acts for the implementation of further tax facilities, including tax breaks for new investments, domestic or foreign, with a focus on international enterprises aimed at stabilizing the supply chain and maintaining competitiveness, following their possible departure from Asian countries.

Finally, the Kosovo Chamber of Commerce and the American Chamber of Commerce in Kosovo reiterate their commitment to close cooperation with legislative and executive institutions in order to continuously improve the business environment, which would be an incentive for domestic and external investments.
6.19. AmCham & KCC urge a swift action of the members of parliament

Prishtina, June 23, 2020 – The outbreak of COVID-19 pandemic and the restriction of economic activities in order to prevent the spread of the pandemic has caused all Kosovar enterprises to face difficulties in their operations, the survival of some of which has been severely endangered. In order to support enterprises and employees which have been hit by the pandemic the American Chamber of Commerce in Kosovo and the Kosovo Chamber of Commerce since the very first days of the spread of the pandemic have sought the intervention of state institutions in order to preserve enterprises and jobs.

Since none of the measures for supporting businesses from the Emergency Fiscal Package have been fully implemented, and due to the need to finish reviewing the budget for 2020 without which none of the measures from the Economic Recovery package can begin to be implemented, demonstration of political consensus and swift reaction from the Republic of Kosovo’s Assembly in reviewing the budget and approving of international deals for financing the measures provided for post COVID-19 economic recovery is demanded.

Finally the American Chamber of Commerce and the Kosovo Chamber of Commerce express their confidence that the delay in implementing the measures from the Emergency Fiscal Package and the launch of the Economic Recovery Package will delay the support of many enterprises which are facing difficulties operating and consequently will delay the country’s economic recovery.

6.20. Internal political war poses danger to enterprises and jobs in Kosovo

Prishtina, June 28, 2020 – Preventive measures against the spread of COVID19 pandemic have severely limited economic activity. This brings consequences of high costs for the recovery of an economy with a structure as unstable as that of Kosovo’s, due to the long-term threat for enterprises, jobs, and budgetary stability. Under such circumstances, rapid and consensual national action is imperative, thus the American Chamber of Commerce in Kosovo urges all institutions of Kosovo, both from the executive and the legislative, as well as political parties, to avoid internal political hostility and pursue a dynamic agenda of action that would enable rapid state intervention for enterprises and employees at risk.

AmCham strongly believes that considering the current challenges the private sector in particular and the country’s economy in general is facing, it is beyond necessary for the disagreements on topics of political nature to not dominate the ones related to private sector support and economic recovery after COVID19.

Failure to fully implement Fiscal Emergency Package measures and the delay in approving a recovery program both due to Kosovo Assembly’s delayed approval of budget review and international loan agreements that are crucial to the implementation of state intervention measures, pose a serious threat on tens of thousands of jobs. These delays are the aftermath of the failure of internal institutional and political coordination and agreement, but also of the insincere and deficient public-private dialogue during the past four months. This will inevitably make Kosovo lose its track in economic recovery, thus making it impossible to provide a more promising perspective for its citizens.

While all statements of AmCham and other organizations representing private sector interests in the country have spoken of the dramatic restrictions on economic activity, confirmed by data from authorities such as Tax Administration and Customs, the same concerns do not seem to have alarmed state decision-makers and political parties. The latter have unfortunately given priority to political issues by choosing to emphasize their disagreements.

AmCham reminds Kosovo’s political leaders that economic development requires a unified national approach among all political and non-political stakeholders, which would culminate in a national economic development strategy and guarantee consistency in economic governance for the upcoming years. The deeply divisive political discourse of recent months unfortunately does not contribute to the abovementioned goals.

In case of further delay of support for the private sector, the following months will reveal the real consequences of COVID19 in the country’s economy, which will result in massive collapse of enterprises, increase in unemployment and poverty, reduction of budget revenues and therefore the state’s ability to provide public services and capital investments.
During the second half of 2020, the Government of Kosovo must engage with unparalleled seriousness in fulfilling the legislative agenda for this year, while the deputies of the Assembly of the Republic of Kosovo are expected to focus the parliamentary debate on economic aspects instead of close political disagreements and debates on unnecessary topics which hinder reform and progress, rapid economic growth, and increase of social welfare.

Finally, the American Chamber of Commerce emphasizes the need to increase the dynamism of the National Council for Economic Development, where the private sector must be given space to play a leading role in the development of the recovery program, the reformation of doing business environment as well as the strengthening of the private sector in Kosovo.

6.21. Government to prioritize adoption of Law on Electronic Identification

Prishtina, June 30, 2020 – The American Chamber of Commerce in Kosovo estimates that the creation of a favorable environment which would guarantee the reliability of electronic transactions, serves as a precondition for the development of digital economy. The Law on Electronic Identification and Trusted Services in Electronic Transactions in addition to contributing to the development of digital economy would also reduce the administrative burden for electronic transactions with parties, and increase the efficiency of business processes by significantly reducing costs while at the same time providing businesses with a larger customer base through increasing the security in electronic transactions.

In this regard, AmCham’s Digital Economy Committee has argued on the need to draft the appropriate legal framework over the past years. In July 2019, the Government of Kosovo has approved the Draft Law on Electronic Identification and Trusted Services in Electronic Transactions, however, due to political developments, the draft law could not be processed in the Assembly and receive the approval of MPs.

The restriction of activities and avoidance of physical contact following COVID19 outbreak has prompted businesses to transform their operations by using the advantages of digital technology. Nevertheless, Kosovar businesses have been limited in this regard due to the lack of legislation that would allow the realization of electronic transactions including their payment, but most importantly the recognition by tax institutions in the country. As a reminder, both the Tax Administration of Kosovo and Kosovo Customs, as well as many other central and municipal government bodies generate electronic documents and operate according to the paperless system.

In this regard, taking into account the importance and the need for this law for the operation and further development of all enterprises in the country, with special emphasis on those from the information and technology sector, the American Chamber of Commerce in Kosovo requests from the Government of the Republic of Kosovo, respectively the Ministry of Economic Development to highly prioritize the approval of this draft law.

6.22. AmCham calls businesses & citizens to respect the anti-COVID19 measures

Prishtina, July 6, 2020 – The administrative measures imposed by the Government of the Republic of Kosovo in order to prevent the spread of COVID19 have severely affected the private sector, and the country’s economy in general.

Nevertheless, in order to maintain public health and prevent the further spread of the pandemic, the American Chamber of Commerce calls businesses and citizens to respect the recommendations of health institutions, as the worsening epidemiological situation will weigh on the country’s economy and delay the economic recovery.

Finally, AmCham calls on the country’s institutions to implement measures in consultation with representatives of the business community in order to avoid possible ambiguities in order to fully implement the measures.
6.23. **AmCham hails the establishment of the Commercial Court by fall**

*Prishtina, July 8, 2020 –* Given how important strengthening the rule of law and commercial justice in particular is for foreign and domestic investments, the American Chamber of Commerce in Kosovo welcomes the commitment of the Ministry of Justice to push forward the initiative for a functional review of the rule of law sector.

In this regard, AmCham views the statements of the Ministry of Justice for the finalization of the legislation for the establishment of the Commercial Court by fall 2020 as encouraging, due to the currently low efficiency and delays in handling cases of a commercial nature, which the private sector in Kosovo faces.

AmCham considers that providing a quick and professional mechanism for resolving business disputes would improve contract applicability and increase the security of doing business, thus improving the image of Kosovo in front of foreign investors.

The American Chamber of Commerce in Kosovo also welcomes the plans to create a special division for handling disputes of foreign investors, which would inevitably affect the growth of foreign investments and accelerate the economic growth of the Republic of Kosovo.

6.24. **AmCham calls political parties to avoid the conflict-inducing discourse**

*Prishtina, July 11, 2020 –* The American Chamber of Commerce in Kosovo reiterates its stance that the deeply divisive political discourse within and outside institutions prevents the achievement of a national consensus and the overcoming of challenges created by the outbreak of COVID-19 pandemic.

At first place, constructive dialogue between political stakeholders is non-alternative, due to the large need to manage COVID-19 and all the consequences caused by it in health, economic and social aspects.

Further delays in approving changes to the budget framework as well as international financial agreements will delay the disbursement of funds pledged to help enterprises and private sector employees which are the backbone of the country’s economic development.

AmCham strongly believes that topics of a populist nature and the undignified political disagreements at this stage, will undermine the prospects for economic recovery post COVID-19, while instead of comprehensive efforts to improve the country’s image and resonate stability, political parties are further aggravating the bad image that Kosovo has with their conflict inducing discourse.

AmCham reiterates its position that the upcoming months will reveal the real economic and social consequences, due to the difficult survival of a number of enterprises, mainly small and medium enterprises, which are the most important source of the already few jobs for the citizens of Kosovo.

Finally, the American Chamber of Commerce once again invites lawmakers to overcome party disagreements and put themselves at the service of citizens and enterprises, paving the way for economic development, job preservation, and much-needed progress.

6.25. **Kosovo & Serbia economic normalization offers new development prospects**

*Prishtina, September 5, 2020 –* The U.S. mediated, agreement on economic normalization signed in Washington by Kosovo and Serbia, will unleash new opportunities for economic development for both countries, as well as for the entire Western Balkans region, by improving mutual economic exchange, providing new sources of financing, more efficient utilization of joint natural resources. The agreement itself will result in accelerating economic growth through promotion of domestic investments and attracting of FDI, as well as the creation of much-needed jobs.

The American Chamber of Commerce in Kosovo evaluates that the opening of opportunities for financial support from the U.S. International Development Finance Corporation (DFC) and EXIM Bank will enable the development of transportation infrastructure, including the construction of the Peace Highway and rail infrastructure between the two countries, as well as with deep sea ports of the Adriatic. This would enable
Kosovo to enjoy greater economic benefits from its central geographical position in the Balkans region, as an important point of connection between the countries of this region and beyond.

Financial support from the aforementioned institutions is equally important for facilitating access to finance for small and medium enterprises, which will provide a new source of funding for their growth and development.

AmCham considers the establishment of diplomatic relations between Kosovo and Israel as an extraordinary achievement, bringing a new dimension to the cooperation between the two countries in the field of economy and technological advancement, as well as in the academic and cultural exchange.

By establishing railway transportation with Serbia, Kosovo will be connected to the international railway network, while companies from Kosovo would benefit from more efficient means of transportation of goods, thus increasing their competitive advantages, especially in the manufacturing industry.

AmCham strongly believes that improvement of road and rail infrastructure will play a key role in promoting the freedom of movement of people and goods, while mutual recognition of academic diplomas and professional certificates will enable, among other things, freedom of provision of services, thus guaranteeing the mobility of businesses and professionals within Balkan countries under the "mini-Schengen" zone agreement. The lifting of barriers between the countries will enable unhindered expansion of the manufacturing and trading companies from Kosovo within the zone.

Finally, the American Chamber of Commerce voices its belief that the operationalization of the joint border crossing in Merdare, will help the goals of the aforementioned agreement, by speeding up the border crossing procedures for people and goods, thus avoiding waiting times and bureaucratic procedures.

### 6.26. Hospitality Committee demands alleviation of restrictive measures

*Prishtina, September 24, 2020* – The American Chamber of Commerce in Kosovo’s Hospitality and Tourism Committee expresses the concerns of its members regarding the measures taken by the Government of the Republic of Kosovo, which restrict the economic activities of enterprises in the HORECA industry. AmCham Hospitality and Tourism Committee believes that the restriction of the movement schedule as well as the prohibition of using indoor spaces within business entities such as restaurants, bars, and pubs, hinders these businesses’ economic recovery, as well as the conduction of their economic activities in a free market economy, whereas such a practice also has detrimental implications on economic development and the doing business environment.

The delay in implementation of the economic recovery measures related to the approval of the relevant legislation, which among other things makes the reduction of the value added tax (VAT) to 8% impossible, also has the same effect. This impacts the recovery of the businesses in this sector, whereas quicker approval of the draft law would have the effect of facilitating the operation of enterprises affected by the COVID-19 pandemic.

The decision to restrict movement and prohibit staying, eating and drinking in indoor commercial environments is negatively affecting the operations of business entities by limiting the number of customers.

The Hospitality and Tourism Committee considers that the decision to ban staying inside and restricting movement hours undoubtedly implicates the reduction of sales revenues which in turn prevents the expansion and development of the HORECA sector. Consequently, the Hospitality and Tourism Committee considers that any positive effect generated by such a policy would be outweighed by the negative impacts it has on the country’s economy and businesses. Therefore, the Committee considers that the commitment of local institutions must be based on creating a healthy environment for the private sector, which creates preconditions for sustainable economic and social development during this period of time.

Finally, AmChams Hospitality and Tourism Committee urges the Government of Kosovo that in coordination with ministries and relevant institutions they re-evaluate the implemented measures and allow staying in closed environments, in restaurants, bars and pubs, while always respecting the measures
established by the NIPHK, as well as lift the restriction of movement for citizens and vote on the draft law for economic recovery.

6.27. AmCham & KCC urge MPs to reach consensus on economic recovery

Pristina, September 25, 2020 – Six months have passed since the imposition of the first restrictive measures aimed at curbing the spread of the COVID19 pandemic, which have caused unprecedented disruptions upon economic activities and consequently great difficulties in the operation of enterprises of all industries in Kosovo. While the institutional response in the emergency phase was deficient and delayed, many enterprises continue to face serious threats in terms of survival and job preservation.

Therefore, the American Chamber of Commerce in Kosovo and Kosovo Chamber of Commerce, based on businesses’ need for rapid action regarding the implementation of economic recovery measures, urge the deputies of the Assembly of the Republic of Kosovo to reach the necessary consensus that will enable the creation of relevant legislation for the implementation of these measures.

Being aware that the content of the draft law on economic recovery needs to be further supplemented with other provisions which address the challenges faced by the private sector, at the current stage as well as the long term stage, the American Chamber of Commerce in Kosovo and the Kosovo Chamber of Commerce urge MPs to approve in today’s session the draft law processed by the executive in the first reading, thus opening the possibility of further supplementation until the final reading.

Rapid action accompanied by measures that proportionately address the damage caused to the economy, is essential for rescuing enterprises and employees affected by the COVID19 pandemic, as well as from the deepening socio-economic difficulties, at a time when other countries are well ahead of the Republic of Kosovo in terms of state intervention aimed at creating and implementing programs for economic recovery. On the contrary, the economic and social situation will continue to worsen.

6.28. AmCham hails approval of the Draft Law on Electronic Identification


AmCham’s Digital Economy Committee has argued over the years on the need to develop an appropriate legal framework, which in addition to contributing to the development of the digital economy, would also reduce the administrative burden for electronic transactions between parties. This Draft Law will also increase the efficiency of business processes by significantly reducing costs, while along with increasing security in electronic transactions it will provide businesses with a larger customer base.

Finally, the American Chamber of Commerce in Kosovo expresses its confidence that the Assembly of the Republic of Kosovo will soon approve the Draft Law on Electronic Identification and Trusted Services in Electronic Transactions.

6.29. Joint statement by AmCham Kosovo and AmCham Serbia

Pristina, Belgrade, October 1, 2020 – As a follow up to the U.S.-brokered agreement on economic normalization signed in Washington, D.C. on September 4th, leaderships of the American Chamber of Commerce in Kosovo and the American Chamber of Commerce in Serbia held a virtual meeting to discuss strengthening their cooperation and joint efforts in support of the implementation of the economic aspects of the agreement.

Both AmChams will work together to consult membership and identify outstanding barriers to trade and provide concrete recommendations for their resolution, as well as suggest measures for further facilitation of trade in the “mini-Schengen” region.
Furthermore, it was agreed to jointly promote investment opportunities for the U.S. companies in the entire Western Balkans region. They will work together to organize investment forums and to raise awareness among the members of the business community about the funding opportunities from the U.S. International Development Financial Corporation (DFC), EXIM Bank and other U.S. agencies.

6.30. AmCham concerns on decision to restrict business activities

Prishtina, November 7, 2020 – The American Chamber of Commerce in Kosovo expresses its concern regarding the measures taken by the Government of the Republic of Kosovo with yesterday's decision to ban business activities without prior consultation with organizations that represent the interests of the private sector.

Recognizing the need to protect public health by taking appropriate measures to prevent the spread of the COVID-19 pandemic, the American Chamber of Commerce urges that at the same time, the harmful effects that the restriction of business activities creates to private sector enterprises and their survival be taken into consideration as well.

Furthermore, yesterday's decision leaves room for bilateral interpretation due to the explicit undetermination of the terms included in the decision, which is resulting in the punishment of private enterprises, as is the case with the term "small markets" which does not clarify the elements that determine the size of a retail enterprise. Such formulations lead to an unfair punishment of private enterprises, which despite the difficulties caused by the COVID-19 pandemic have done their best to continue their activity and preserve jobs, while at the same time being faced with an unequal treatment of different enterprises within the same sectors.

Sharing concerns with representatives of certain business sectors, the American Chamber of Commerce calls out to the Government to enable communication through existing dialogue mechanisms or other forms, and to take into account the concerns and recommendations of the private sector, as well as follow its decisions with supportive, specific measures regarding the restriction of business activities.

7. STUDIES

7.1. Study on impact of COVID19 on Kosovo’s private sector
7.2. Study on Impact of COVID19 on Women-Owned Businesses in Kosovo
7.3. Corruption Perception Study
7.4. Corporate Innovation Study

8. FOUNDATION

8.1. Recura Financials wins Independence Day Bowling Tournament

Prishtina, February 13, 2020 – To celebrate the Independence Day of Kosovo, the Foundation of the American Chamber of Commerce in Kosovo organized the first charity event for 2020, the Charity Bowling Tournament where AmCham members provided their financial support to the people in need.

The winner of AmCham Independence Day Charity Bowling Tournament is Recura Financials team, comprising of Zog Gjikolli and Laura Berisha; the second-place winner is one of the teams of NLB, comprising of Shpresa Begoli and Galdim Bytyçi, whereas the third-place winner is BDO Kosova team, comprising of Burim Cena and Valon Bytyçi. Member companies that participated in this fundraising activity include Art House, BKT (2 teams), Philip Morris, NLB Bank (2 teams), Recura Financials (2 teams), BDO Kosova, Railtrans, Banca Ekonomike, Sigal, and KEDS (2 teams).

From the funds raised in this charity event, AmCham Foundation will support the people in need for medical intervention outside the country.
AmCham and Government inaugurate the statue of Senator Bob Dole

Prishtina, August 30, 2020 – The American Chamber of Commerce in Kosovo and the Government of the Republic of Kosovo organized the unveiling ceremony for the statue of the friend of all Albanians, former U.S. Senator Bob Dole, as a token of gratitude for his tireless efforts and his significant role in the freedom and independence of Kosovo. This statue, sculpted with the utmost dedication by the sculptor Luan Mulliqi, and co-financed by AmCham, its members and the Government of Kosovo is a gift for the citizens of Prishtina and Kosovo, but above all is a symbol of Kosovo’s past, and its achievements through these three decades.

During this ceremony, Senator Bob Dole addressed the people of Kosovo through a video message, in which he extended his deepest gratitude for the dedication of the statue, adding that Kosovo and the U.S. have worked together for 30 years towards making Kosovo a strong and democratic state, while noting that he hopes Kosovo will continue to become stronger and stronger over the years.

AmCham Executive Director, Arian Zeka, stressed that it is a special honor for AmCham to be part of this activity, through which the appreciation for the hard work and contribution of former Senator Bob Dole as a special hero in Kosovo is expressed. He stated that the echo of the visit of Senator Dole and six other senators in Kosovo thirty years ago have given another direction to Kosovo’s journey towards freedom, independence, and the opening of opportunities for the creation of a democratic state.

“The statue is a reminder of responsibility for us and the future generations succeeding us, to reminisc and acknowledge the United States of America on their continuous role in the process of Kosovo state creation and strengthening” stated Zeka.

The Prime Minister of the Republic of Kosovo, Avdullah Hoti, expressed that he feels honored to be part of this historical moment. PM Hoti stated that former senator Dole’s efforts for Kosovo have served as a cornerstone of establishing the statehood of the country, while considering that the placement of the statue will be a reference point for future generations to learn the history of the building of the friendship between the people of Kosovo and America.

“Senator Bob Dole is one of the first senior officials to have visited Kosovo and President Rugova during the most difficult times, when the cornerstone of the state of Kosovo and the eternal friendship with the United States of America and Kosovo was laid” said Prime Minister Hoti.

U.S. Ambassador to Kosovo, His Excellency Philip Kosnett, emphasized that it is an amazing privilege for him to be part of this memorable historic occasion. While thanking those who have made this day possible, Ambassador Kosnett stated that with the establishment of this statue the life of an American hero and stalwart friend of Kosovo is being marked. Ambassador also highlighted that Bob Dole has been a leader in promoting the cause of freedom throughout the world, and that his visit thirty years ago opened the eyes of the international community to the ongoing human rights abuses occurring in Kosovo.

“Today, we celebrate the life of a leader whose personal courage and dedication to the cause of freedom have long inspired the people of the United States and Kosovo, and friends around the world” said Ambassador Kosnett.

Albanian activists in America, businessman and activist Jim Xhema, the President of the Pan-Albanian Federation ”Vatra” Elmi Berisha, and Albanian-American activist Harry Bajraktari, spoke at the ceremony via video messages, highlighting the work of former Senator Bob Dole.

In addition to the American Chamber of Commerce and the Government of Kosovo, Kosovar companies KIVO, Tregtia, Meridian Corporation, ELKOS, Devolli Corporation, Mabetex, Emona, Al-Petrol, NLB Banka, Al Trade Center and the American Clinic have also contributed to the building of the statue.