



Funded by  
the European Union

# Public Funds, Public Health:

## Review of Kosovo's Health Budget Transparency

August, 2025



Group for Legal  
and Political  
Studies



International  
Budget  
Partnership



Funded by  
the European Union

Group for Legal and Political Studies  
"Rexhep Luci" str. 16/1  
Prishtina 10 000, Kosovo  
Website: [www.legalpoliticalstudies.org](http://www.legalpoliticalstudies.org)  
E-mail: [office@legalpoliticalstudies.org](mailto:office@legalpoliticalstudies.org)  
Tel/fax.: +381 38 234 456

# Public Funds, Public Health: Review of Kosovo's Health Budget Transparency

**Disclaimer:**

This project is supported by the European Commission. Its contents are the sole responsibility of the Group for Legal and Political Studies, and do not necessarily reflect views of the European Commission.

© Group for Legal and Political Studies, August 2025.



Group for Legal  
and Political  
Studies



International  
Budget  
Partnership

## **Table of Contents**

<b>Executive Summary</b>	<b>4</b>
<b>1. Introduction</b>	<b>5</b>
<b>2. Methodology</b>	<b>6</b>
<b>3. Misuse of Funds and the importance of transparency</b>	<b>7</b>
<b>4. Overview of the budgetary process in Kosovo</b>	<b>7</b>
<b>5. Budget transparency, citizen engagement and accountability</b>	<b>9</b>
<b>6. Budget transparency and financial management in Kosovo's health sector</b>	<b>11</b>
6.1. Budget preparation in the health sector	12
6.2. Budget execution	12
6.3. Parliamentary oversight	14
6.4. Auditing budgetary expenditures	14
6.5. Overall evaluation of budget transparency in the health sector	15
<b>7. Improving standards of reporting in the health sector</b>	<b>16</b>
<b>8. Conclusion</b>	<b>18</b>

# Executive Summary

This report assesses the level of transparency in the budgeting process of the Ministry of Health and the Hospital and University Clinical Service of Kosovo (HUCSK) during the period of 2023 and 2024. It aims to evaluate how public funds in the health sector are planned, executed, and reported, and whether these processes are open, accessible, and accountable to the public.

Health financing in Kosovo is divided among three main actors: the Ministry of Health, HUCSK, and 38 municipalities. Since 2015, HUCSK has managed its own budget separately, while remaining under the legal framework of the Ministry of Health. Despite this shared responsibility, the analysis shows a significant lack of transparency.

Kosovo is not yet included in the International Budget Partnership's Open Budget Survey rankings, but a pilot assessment conducted in 2023 rated the country's budget transparency at just 50 out of 100. Public participation scored even lower, at 9 out of 100, highlighting the minimal involvement of civil society in budget planning and implementation.

In the past two years, the Ministry of Health has started publishing monthly, quarterly, and annual reports on budget expenditures. However, these reports lack sufficient detail—monthly and quarterly reports provide little more than major expenditure categories, are not machine-readable, and are difficult to locate due to the website's poor user interface. Moreover, the Ministry does not provide accessible data on the Open Data Portal. Budget planning hearings continue to be held internally, without the involvement of civil society or public disclosure. This ongoing lack of transparency limits the ability of citizens and journalists to monitor spending or hold institutions accountable.

HUCSK has taken steps to improve transparency by publishing annual financial reports for 2022–2024. These include breakdowns of expenditures by economic category and summaries of activities. However, the reports are published only as PDFs and lack key components such as performance indicators, open data formats, and linkage to broader platforms like the Ministry of Finance or the Open Data Portal.

While the National Audit Office (NAO) regularly publishes both financial and performance audits, internal audits by the Ministry of Health are not made public. The 2023 audit of the Ministry of Health gave a qualified opinion, pointing to issues such as inaccurate reporting of liabilities and asset mismanagement. The findings of this report highlight that poor transparency is not only a technical issue, but a key factor contributing to misuse of public funds, lack of trust, and reduced service quality in the health system. Kosovo has introduced several digital tools aimed at improving openness, but these remain underused or disconnected from actual financial practices.

To improve transparency in the health sector, the report recommends regular publication of financial data, open data formats, citizen involvement in budget planning, and stronger coordination between institutions. Parliamentary oversight also needs to be strengthened to ensure that audit findings are followed up and that financial accountability is taken seriously.

# 1. Introduction

Transparency is a key part of democracy and good governance. It means that government activities, decisions, and use of public funds are open to the public and easy to understand. When people can see how public money is used, they are more likely to trust their government. Transparency allows citizens to follow how decisions are made, how budgets are prepared, and how resources are spent. It also gives them the chance to ask questions and be involved in the process. Without transparency, there is a higher risk of corruption, misuse of funds, and poor service delivery. Governments that are transparent are more likely to be responsible, efficient, and focused on the needs of their citizens.<sup>1</sup>

In many countries transparency in budgeting is an important issue. The budget is one of the most important documents of any government, because it shows what the government plans to do and how it will spend public money. If this process is not open and clear, it is difficult for the public to understand how money is being used, and who is benefiting from it.

Transparency and accountability are values enshrined in the Constitution of the Republic of Kosovo. These principles are embedded in several key provisions that guide the functioning of public institutions and the relationship between the state and its citizens. Article 7 of the Constitution, explicitly includes transparency and accountability as foundational principles of the Republic of Kosovo.<sup>2</sup> Article 41 guarantees that every person enjoys the right of access to public documents, thereby promoting institutional transparency and enabling citizens to monitor government actions. Article 119, outlines that public expenditure and the collection of public revenues shall be based on the principles of accountability, effectiveness, efficiency, and transparency. This ensures that financial governance in Kosovo is conducted in a manner that is open, responsible, and subject to public oversight.

In Kosovo, some steps have been taken to increase budget transparency, such as the publication of budget documents on the Ministry of Finance and Labour and Transfers (MFLT) website<sup>3</sup> and the use of the Budget Transparency Portal.<sup>4</sup> But, with the new update of the MFLT's website, a lot of documents cannot be accessed. In some cases, documents are published late or not at all. In other cases, the information is very technical or complicated, making it hard for citizens to understand.

Transparency in the health sector is especially important because it affects the quality of life and well-being of every person. The Ministry of Health receives a large part of the national budget, and it is responsible for using this money to improve health services across the country. If this money is not used well, or if the public cannot see how it is being used, then trust in the health system can be damaged. When budget decisions in health are transparent, it becomes easier to monitor where the money goes and whether it is really helping the people who need it most. It also helps to avoid waste, reduce inequality, and improve planning.

In this report, we analyze the transparency of budgeting processes within Kosovo's health sector, focusing in particular on the Ministry of Health and the Hospital and University Clinical Service of Kosovo (HUČSK), one of the largest budgetary organizations in the sector. We assess what is functioning well, identify areas for improvement, and evaluate the overall accessibility and clarity of budget-related information provided by these institutions.

---

1 GovOS. The Importance of Transparency in Government. December 4, 2024. Source: <https://govos.com/blog/the-importance-of-transparency-in-government/>

2 Kosovo Assembly. Constitution of the Republic of Kosovo. Article 7. Source: [http://old.kuvendikosoves.org/common/docs/Constitution\\_of\\_the\\_Republic\\_of\\_Kosovo\\_with\\_amend.I-XXV\\_2017.pdf](http://old.kuvendikosoves.org/common/docs/Constitution_of_the_Republic_of_Kosovo_with_amend.I-XXV_2017.pdf)

3 <https://mfpt.rks-gov.net/>

4 <https://ptmf.rks-gov.net/Budget/2021/9>

## 2. Methodology

This analysis is based on a mix of qualitative and quantitative methods to understand the level of transparency in the budgeting process of the Ministry of Health in Kosovo. The main goal of the research is to assess how open and accountable the Ministry is in planning, spending, and reporting public funds in the health sector.

As part of the research process, interviews were held with journalists/experts who regularly report on the health sector in Kosovo. These conversations provided important insights into how information is accessed, what challenges exist in reporting about health finances, and how transparent the institutions are in practice. The views of these journalists helped to better understand how much information is shared with the public and how clear and timely that information is.

Requests for interviews were also sent to officials in the Ministry of Health<sup>5</sup> and to HUCSK<sup>6</sup>, but no responses were received. In addition, we submitted requests to access documents that are not available online; only the Ministry of Health responded, while HUCSK did not provide any reply.

In addition to interviews, we reviewed and analyzed different civil society reports that focus on public finance, procurement, and the health sector. These reports include independent monitoring, budget tracking, and recommendations for better transparency and governance. Also, they help identify gaps and good practices already observed in Kosovo.

A review of official government websites and online platforms was also carried out during the drafting process. This includes the websites of the Ministry of Finance, the Ministry of Health<sup>7</sup>, and Hospital and University Clinical Service of Kosovo (HUCSK)<sup>8</sup>. These platforms were checked for availability and accessibility of key documents such as annual budgets, execution reports, procurement plans, and health-related statistics.

The methodology also includes a thorough review of audit findings from NAO in order to assess the extent to which the Ministry follows rules, responds to findings, and improves performance over time.

To support the analysis and scoring, several international handbooks and guidelines that define best practices for transparency in health budgeting were consulted. The findings are based on a combination of the data collected through these sources. Where possible, the analysis uses both facts (like budget numbers and document availability) and real-life examples or opinions (from interviews and reports) to show the current situation and where improvements are needed.

---

5 Request sent by email to the Secretary General of the Ministry, 8 April 2025.

6 Request sent to the head of the Board and one member of the Board covering finances, 8 April 2025.

7 <https://msh.rks-gov.net/#>

8 <https://shskuk.rks-gov.net/>

### 3. Misuse of Funds and the importance of transparency

Throughout the years, Kosovo's health sector has faced numerous cases of budget misuse, underscoring the urgent need for stronger transparency and accountability in public expenditures.

A prominent example involves the Fund for Treatment outside Public Institutions, through which the state spent nearly 70 million euros between 2013 and 2020 on private hospital services, both within Kosovo and abroad, while still owing 30 million euro for treatments.<sup>9</sup> Payments to specific Turkish hospitals rose dramatically during, from 30,000 euro in 2013 to more than 2.5 million euro annually, raising concerns about unjustified referrals, favoritism, and lack of oversight.<sup>10</sup>

Other troubling cases within the Fund have revealed inflated medical bills and fictitious services. Chemotherapy, for instance, was estimated at 40,000 euro but billed at 120,000 euro, while bone marrow transplants were invoiced up to 230,000 euro, nearly triple their expected cost. In some instances, families were reportedly pressured to pay additional informal sums, despite being covered by public funds.<sup>11</sup> Such practices not only breach ethical standards but also represent a significant misuse of taxpayer money.

The health sector has also seen systemic failures in law enforcement and oversight. The "Stenta" corruption case from 2011, one of the country's most high-profile healthcare trials, exposed flaws in judicial handling<sup>12</sup>, while recent reports revealed the disappearance of confiscated medicines and sensitive data from the Kosovo Medicines Agency<sup>13</sup>.

These incidents point to institutional vulnerabilities and poor internal controls. They also highlight the critical link between transparency and public trust: when budget planning and spending are not open to scrutiny, misuse flourishes.

Transparent budgeting, coupled with rigorous reporting and public engagement, is essential to ensure that resources are spent efficiently and equitably, especially in sectors like health where the consequences of mismanagement are life-threatening.

### 4. Overview of the budgetary process in Kosovo

The preparation, approval, execution, and reporting of the state budget in Kosovo is a yearly process guided by the Law on Public Financial Management and Accountability<sup>14</sup>. This law sets the legal foundation for how public money is planned, spent, and reported across all public institutions, including the Ministry of Health.

The process follows a calendar fiscal year, beginning on January 1st and ending on December 31st, and involves multiple phases: medium-term planning, budget preparation, parliamentary approval, budget execution, and financial reporting and auditing.

The budget planning process begins early in the year with the Medium-Term Expenditure Framework (MTEF). This framework is drafted by the MFLT and outlines the government's priorities and fiscal strategy over a three-year period. It provides projections of revenues, expenditures, macroeconomic conditions, and spending ceilings for each budget organization, including the Ministry of Health. This phase reflects the government's effort to ensure macro-fiscal stability while continuing economic recovery and reforms following recent global crises.<sup>15</sup>

9 A series of investigations written by Saranda Ramaj and published by the Koha Group, from May 30 to June 14, 2022. Source: <https://www.koha.net/autori/saranda-ramaj/>

10 Ibid.

11 Ibid.

12 BIRN. The weary fight against endemic corruption in 2022. Source: <https://birn.eu.com/wp-content/uploads/2022/12/raporti-analitik-i-korrupsionit-ANG.pdf>

13 Radio Free Europe. Barnat e vjedhura: Ende asnjë rezultat. November 2011. Source: <https://www.evropaelire.org/a/24379236.html>

14 Official Gazette. Law No. 03/L-048 on Public Financial Management and Accountability. Source: <https://gzk.rks-gov.net/ActDetail.aspx?ActID=2524&langid=2>

15 Ministry of Finance. Information booklet for citizens – Budget of Republic of Kosovo 2024. Source: <https://mfpt.rks-gov.net/Buxheti/Page/329>

Following the MTEF, the Budget Department within the MFLT issues a Budget Circular.<sup>16</sup> The circular gives detailed instructions to all local and central-level institutions on how to prepare their budget proposals. It sets out fiscal ceilings, submission deadlines, technical requirements, and formats. It also includes guidance on how to plan for wages, operational expenses, capital investments, grants, and transfers.

After receiving the Budget Circular, the Ministry of Health, like other budget organizations, prepares its proposed budget. This is usually done during May and June, and the proposals must comply with the spending limits and formats provided. During June and July, the MFLT organizes budget hearings, where each ministry, including the Ministry of Health, presents and justifies its draft budget. These hearings serve to align proposals with fiscal targets and government priorities. However, these hearings are not always open to the public or civil society, which remains a gap in transparency and participation.

By August or September, the MFPT finalizes the draft Kosovo Budget, incorporating all proposals into a single package. This draft is then submitted to the Government for review and approval. Once approved, the full budget package, along with the Draft Law on Budget Appropriations, is sent to the Assembly of Kosovo, no later than October 31st, as required by Article 21 of the Law on Public Financial Management and Accountability.

Within the Assembly, the Budget and Finance Committee reviews the draft law and conducts parliamentary debates. The Assembly must approve the budget before the end of the year. When adopted, the Annual Budget Law becomes legally binding and authorizes ministries, including the Ministry of Health, to spend public funds for the next fiscal year.

From January 1st, the Ministry of Health and HUCSK, which oversees hospitals and clinical services at the secondary and tertiary levels begins implementing its approved budget. Funds are allocated through the Treasury System under the Ministry of Finance, Labour and Transfers.

Throughout the year, the Ministry is required to submit quarterly financial reports on budget execution to the MFLT, in line with Article 45 of the Law<sup>17</sup>. These reports include information on how much has been spent in each category. At the end of the year, the Ministry must also prepare a Final Report on the Budget, which must be submitted no later than March 31st of the following year, as stated in Article 46 of the law.

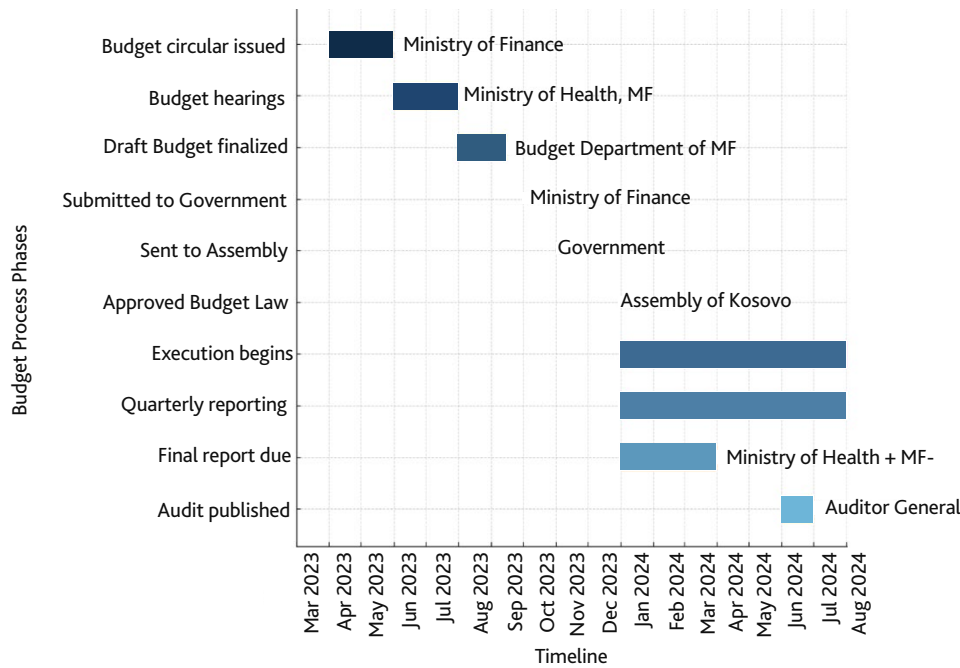
In addition, the Auditor General of Kosovo, through NAO, conducts independent audits of the Ministry's budget execution and compliance with legal obligations. The audit reports are submitted to the Assembly and are made public, allowing for external oversight. These audits are essential for promoting accountability and identifying areas where public money might not be used efficiently.

**Table 1. Budgetary process, timeline and actors**

Phase	Timeline	Key Actors
Budget circular issued	April–May	Ministry of Finance
Budget hearings	June–July	Ministry of Health, MF
Draft Budget finalized	August–Sept	Budget Department of MF
Submitted to Government	End of Sept	Ministry of Finance
Sent to Assembly	By Oct 31	Government
Approved Budget Law	By Dec 31	Assembly of Kosovo
Execution begins	January 1	All Ministries via Treasury
Quarterly reporting	Every 3 months	Ministry of Health
Final report due	By March 31	MF
Audit published	Mid-year next yr	Auditor General

16 Ministry of Finance. Budget Circular 2024. Source: <https://mfpt.rks-gov.net/Buxheti/Page/326>

17 Official Gazette. Law No. 03/L-048 on Public Financial Management and Accountability. Source: <https://gzk.rks-gov.net/ActDetail.aspx?ActID=2524&langid=2>



## 5. Budget transparency, citizen engagement and accountability

Kosovo is not yet officially included in the global rankings of the International Budget Partnership's Open Budget Survey (OBS), as it is not a full member of the Open Budget Partnership network. However, in 2023, GAP Institute carried out Kosovo's first pilot assessment using the OBS methodology. This marked an important step forward in understanding the country's fiscal openness and transparency using internationally recognized standards.<sup>18</sup>

According to the OBS pilot survey results, Kosovo received a score of 50 out of 100 on budget transparency, indicating a limited level of transparency. This score measures how publicly available, timely, and comprehensive key budget documents are. While six out of eight required budget documents are published on time, others are either published late or not at all. For instance, the Citizens Budget for 2023 (a simplified summary of the budget) was published late, and Kosovo currently does not produce a Mid-Year Review that meets international criteria.<sup>19</sup>

Kosovo performs particularly poorly in public participation, scoring only 9 out of 100<sup>20</sup>. This suggests that citizens and civil society organizations have very limited opportunities to engage meaningfully in the budget process, especially during key phases such as formulation and implementation. While some local-level hearings exist<sup>21</sup>, mechanisms to include the public in the national-level budget process remain underdeveloped.

In terms of budget oversight, Kosovo received a moderate score of 59 out of 100. The NAO performs relatively well, scoring 72, which suggests strong auditing procedures. However, the Assembly of Kosovo's role in budget oversight remains weak, with a score of just 53, highlighting the need to strengthen parliamentary scrutiny and engagement in fiscal matters.

Compared to neighboring countries, Kosovo's performance is below that of Albania (score 57) and Serbia (score 51), but above North Macedonia and Bosnia and Herzegovina, both of which scored lower than 50 in the 2023 Open Budget Survey global rankings.<sup>22</sup>

18 GAP Institute. Open Budget Survey 2023 – Kosovo. December 2024. Source: [https://www.institutigap.org/documents/59270\\_Open%20Budget%20Survey%20Kosovo%202023.pdf](https://www.institutigap.org/documents/59270_Open%20Budget%20Survey%20Kosovo%202023.pdf)

19 Ibid.

20 Ibid.

21 Law on local self government and the administrative instruction on open administration in municipalities requests that municipalities held budgetary hearings. Source: <https://gzk.rks-gov.net/ActDetail.aspx?ActID=84864>. Also, how much this requirement is respected, see this report published by GAP Institute: [https://www.institutigap.org/documents/64135\\_Planifikimet%20buxhetore%20te%20komunave%202025\(SHQ\).pdf](https://www.institutigap.org/documents/64135_Planifikimet%20buxhetore%20te%20komunave%202025(SHQ).pdf)

22 IBP. Open Budget Survey 2023 - Rankings Charts. Source: <https://internationalbudget.org/wp-content/uploads/rankings-charts-OBS-2023.pdf>

Academic analysis also supports these findings. A 2016 study emphasizes that while Kosovo's legal framework for fiscal transparency has improved since independence, practical implementation remains fragmented and insufficient. The Assembly's role in budget scrutiny is still underdeveloped, and access to detailed fiscal data is limited, especially during the formulation and execution phases of the budget.<sup>23</sup>

Kosovo has been working for years to join the Open Government Partnership (OGP) by promoting transparency and open governance. Although not yet a member, it has launched several digital tools like open data portals, public consultation platforms, and e-governance services. These efforts aim to increase citizen participation and improve access to government information.<sup>24</sup> For example, people can now access documents, pay bills, and request services through a central online portal.<sup>25</sup> There are also tools that allow citizens to participate in public consultations and share their opinions on laws and policies.<sup>26</sup>

Other platforms have been created to make financial data more open, such as those showing how public funds are given to civil society organizations or used in public procurement.<sup>27</sup> These tools aim to fight corruption and improve trust in institutions by making government actions more visible.

Despite progress, challenges remain, including incomplete data, weak coordination between institutions, and political barriers that delay full OGP membership.

**Table 2. Budget transparency**

Document	Year			Address/comment
	2022	2023	2024	
Mid-Term Expenditure Framework 2022-2024				Ministry of Finance <sup>28</sup>
Budget circulars				Ministry of Finance <sup>29</sup>
Budget laws				Kosovo Assembly <sup>30</sup> , Official Gazette <sup>31</sup>
Citizens budget				Ministry of Finance <sup>32</sup>
Quarterly reports				The link provided by the Ministry isn't functional <sup>33</sup>
Final report				The link provided by the Ministry isn't functional <sup>34</sup>
Audits				National Audit Office <sup>35</sup>

23 Bedri Peci. Fiscal Transparency in theory and practice: case of Kosovo. Researchgate, 2016. Source: [https://www.researchgate.net/publication/310738004\\_FISCAL\\_TRANSPARENCY\\_IN\\_THEORY\\_AND\\_PRACTICE\\_THE\\_CASE\\_OF\\_KOSOVO](https://www.researchgate.net/publication/310738004_FISCAL_TRANSPARENCY_IN_THEORY_AND_PRACTICE_THE_CASE_OF_KOSOVO)

24 Shqipe Gjocaj for Open Data Kosovo. Kosovo's efforts towards its OGP membership. January 31, 2021. Source: <https://opendatakosovo.medium.com/kosovos-efforts-towards-its-ogp-membership-9f683b1bc62>

25 <https://ekosova.rks-gov.net/>

26 <https://konsultimet.rks-gov.net/index.php>

27 <https://ojqfinancime.rks-gov.net/en/ballina-kryesore/>

28 <https://mfpt.rks-gov.net/Buxheti/Page/846>

29 <https://mfpt.rks-gov.net/Buxheti/Page/326>

30 <https://www.kuvendikosoves.org/eng/draft-laws-and-laws/>

31 <https://gzk.rks-gov.net/SearchIn.aspx?Index=2&s=budget&so=1&CatID=5,6>

32 <https://mfpt.rks-gov.net/Buxheti/Page/329>

33 <http://mfpt.dataproynet-ks.com/Thesari/Page/33> (Last opened on March 27, 2025)

34 Ibid.

35 <https://zka-rks.org/Reports>

## 6. Budget transparency and financial management in Kosovo's health sector

In Kosovo, the health budget is divided among three main institutions: the Ministry of Health, the Hospital and University Clinical Service of Kosovo (HUCSK), and the 38 municipalities. There are other small independent executive institutions, like the Fund for Treatment Outside the Public Health System, who implement their budget separately from the Ministry of Health. Until 2014, the entire health budget at the central level was managed directly by the Ministry of Health. However, starting from 2015, HUCSK began managing its own independent budget. This shift allowed HUCSK to operate as a separate legal and financial entity responsible for managing secondary and tertiary healthcare institutions across the country.

HUCSK is a public institution that provides hospital and clinical services and is also involved in medical education and research. According to its statute, HUCSK is responsible for ensuring continuous, safe, and quality health services for all citizens. It oversees key health institutions such as the University Clinical Center of Kosovo, general hospitals in seven cities, as well as specialized centers for dental services, telemedicine, sports medicine, and mental health. HUCSK functions through a central administration located in Pristina and is governed by a Steering Board, which includes representatives from the MH, health institutions, and local governance structures.<sup>36</sup>

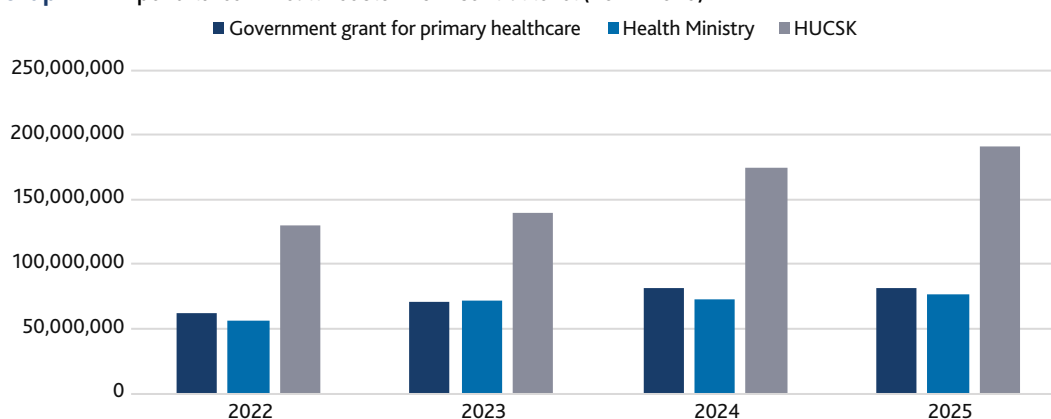
While HUCSK manages its own budget, it remains under the legal and policy framework set by the Ministry of Health. The Ministry continues to define national health priorities and approve the strategic and operational plans of HUCSK.<sup>37</sup> All general acts, including the Statute and financial regulations, must be approved by the Minister of Health and the Government. Furthermore, HUCSK is subject to both internal and external audits, and its performance is regularly monitored by the Ministry to ensure compliance with health policies and financial standards.

This shared model of governance means that both institutions must cooperate closely in planning and delivering health services.

The graph below illustrates the distribution of health sector expenditures from the central level for the years 2022 to 2025, for: Government grant for primary healthcare, the Ministry of Health, and HUCSK. Over the four-year period, funding for all three categories has generally increased, with HUCSK consistently receiving the highest allocation each year.

Specifically, HUCSK's budget shows a notable rise from around 130 million euro in 2022 to 190 million euro by 2025, highlighting a strong focus on secondary and tertiary healthcare services. Meanwhile, the Government grant for primary healthcare and the Ministry of Health start at similar levels in 2022 (around 62 million euro grant), gradually increasing to 81 million euro by 2025. The overall trend suggests a continued prioritization of hospital and specialized care, though investments in primary healthcare and the health ministry also see moderate but steady growth.

**Graph 2. Expenditures in health sector from central level (2022-2025)**



Source: GLPS based on laws on budget

In the period 2022-2025, around 10% of the total state budget was allocated for the health sector.<sup>38</sup>

<sup>36</sup> Prime Minister's Office. Statute of the Hospital and University Clinical Service of Kosova. 2023. Source: <https://kryeministri.rks-gov.net/wp-content/uploads/2024/01/STATUTE-GRK-NO-01-2023-OF-THE-HOSPITAL-AND-UNIVERSITY-CLINICAL-SERVICE-OF-KOSOVA.pdf>

<sup>37</sup> Official Gazette. Law on health. Source: <https://gzk.rks-gov.net/ActDetail.aspx?ActID=57848>

<sup>38</sup> GAP Institute. Functional classification of Kosovo Budget. Source: <https://www.institutigap.org/spendingsEng/?functional-classification/1/2024#/~functional-classification>

## 6.1. Budget preparation in the health sector

The process of preparing the budget for the Ministry of Health and HCUSK follows the general procedures set by the MFLT. Each year, the MFLT issues a Budget Circular that sets spending limits and guidelines for all public institutions, including the Ministry of Health and HUCSKHCUSK. These institutions then prepare their budget proposals, which are reviewed during internal budget hearings.

But, in the health sector, these hearings typically involve only the MFLT, the Ministry of Health, and HUCSK. There has never been a public hearing specifically focused on the planning of health-related budget expenditures. Journalists, civil society representatives, and members of the public are not invited to these meetings, and there is no public disclosure of the discussions or decisions made.<sup>39</sup> As a result, transparency in the budget planning process remains limited, and opportunities for citizen involvement are almost nonexistent. This lack of participation reduces public oversight and weakens trust in how funds are allocated in the health sector.

## 6.2. Budget execution

When it comes to transparency in budget execution and financial reporting, the health sector in Kosovo presents a mixed picture. While there have been some improvements in recent years, significant gaps remain.

The Ministry of Finance recently redesigned its official website; however, this transition appears to have led to the loss or inaccessibility of many previously available budgetary reports. As of early 2025, there are no quarterly or yearly budgetary reports, as they used to be available for the public.

The Ministry of Health, for its part, does publish monthly updates on revenues and expenditures. However, these updates are limited in scope, offering only high-level figures categorized broadly into salaries, capital investments, and goods and services. The reports lack further disaggregation, analysis, or performance context, making it difficult to assess whether expenditures align with policy priorities or planned outcomes. Moreover, the reports are not centralized under a dedicated "Reports" section; instead, they are scattered across different departmental pages on the Ministry's website, which significantly hinders accessibility and usability.<sup>40</sup>

HUCSK has made some progress in financial reporting. It has published financial activity reports for 2022, 2023, and 2024. These reports provide a breakdown of income and expenditures by economic category, such as salaries, goods and services, capital investments, and utilities:

- The 2022 report includes basic summaries of spending and procurement planning.<sup>41</sup>
- The 2023 report offers improved structure and clarity, but still lacks performance indicators or comparisons with planned vs. actual expenditures.<sup>42</sup>
- The 2024 report is the most detailed to date. It includes percentages of budget execution, balance sheets, asset details, and a five-year comparison of spending trends.<sup>43</sup>

During the planning phase and when the draft Law on the Budget is submitted to the Assembly, the Government provides somewhat more detailed information regarding its intended expenditures for the upcoming year. This includes projections for salaries across individual health institutions, planned capital investments, the estimated cost of each project, as well as descriptions of the specific projects and equipment intended for procurement.

However, in the quarterly and annual budget execution reports, this level of detail is not maintained. The Government does not report on the progress of individual capital projects, nor does it provide disaggregated data on salary expenditures per health institution. Instead, reporting is limited to broad expenditure categories such as wages, goods and services, and capital investments. As a result, the public is left without clear information on how capital investment funds were actually spent or which specific projects were implemented.

39 Interview with Bujar Vitija – journalist and editor of 'Shneta' newspaper, 27 March 2025, Prishtine.

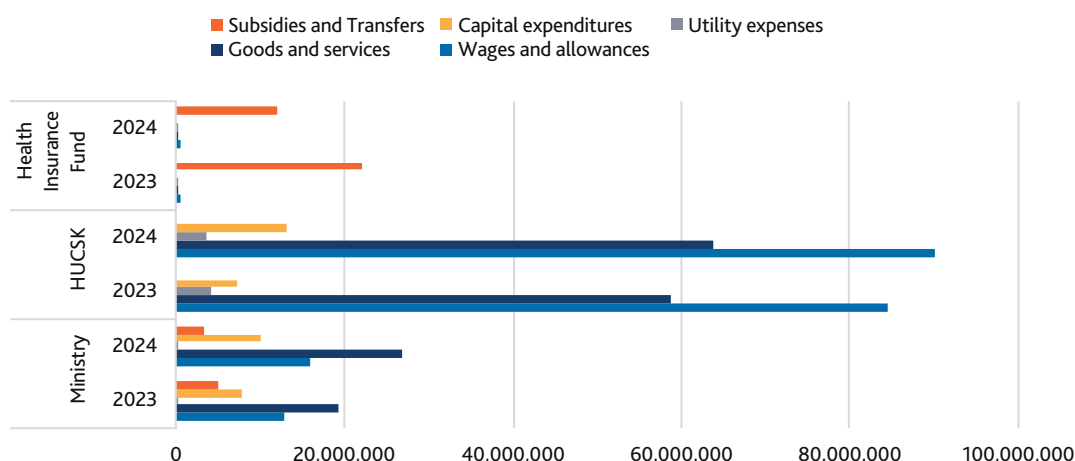
40 Source: <https://msh.rks-gov.net/Department/Index/1061?type=1>

41 ShSKUK. 2022 report. Source: <https://shskuk.rks-gov.net/Navbar/SingleNews/17764>

42 ShSKUK. 2023 report. Source: <https://shskuk.rks-gov.net/Navbar/SingleNews/17939>

43 ShSKUK. 2024 financial report. Source: <https://shskuk.rks-gov.net/Navbar/SingleNews/18161>

**Graph 3. Main categories of expenditures based on the final yearly reports published by the Ministry of Finance**



Annual financial reports of the Ministry of Health<sup>44</sup> are more detailed than the standard expenditure reports published by the Ministry of Finance. They provide valuable context behind budget execution, highlighting unspent funds, listing specific procurement delays, and include references to government decisions affecting budget reallocations. They offer insights into donor-funded projects and contingent liabilities.

However, despite the added detail, the report falls short of being fully transparent and user-friendly. Much of the financial data is presented in scanned tables or image formats, making it difficult to extract, analyze, or verify. Key information such as progress on individual capital projects, performance indicators, or comparisons between planned and actual spending per project is missing. The format lacks structure, and essential data are scattered across the document, limiting its usefulness for public oversight or detailed analysis. For the report to be truly comprehensive and accessible, it should be published in an open-data format with clearly organized, searchable, and downloadable tables.

The 2024 Annual Financial Report of HUČSK offers a more detailed and structured overview compared to the standard reports published by the Ministry of Finance. It includes breakdowns of expenditures by category, facility-level spending, internal revenues, unpaid obligations, donor contributions, and yearly comparisons. It provides useful insight into financial trends and execution levels across multiple years.

However, the report still lacks key elements for full transparency. All data is presented in static formats, mostly as embedded tables or images, making it difficult to extract or analyze. There is no open-data format or downloadable annex. It also does not include project-level details for capital investments or information on the progress of individual projects. While salary expenditures are broken down, there is no link to staffing numbers or service outcomes. Overall, the report is a step forward but remains limited in accessibility and usability.

Journalists who cover the health sector emphasize the need for more detailed and consistent publication of key decisions made by senior executive officials.<sup>45</sup> They call for greater access to comprehensive reports and procurement contracts, many of which are often missing from the e-procurement platform.

Meanwhile, the Ministry of Health should make public its annual expenditures for official travel, including the purpose of each trip and its relevance to the public interest. Additionally, the Fund for Treatment Outside the Public Health System should release detailed reports on how its budget is spent, highlighting which illnesses are covered, which private institutions are paid, and for what services.<sup>46</sup>

44 Source: <https://msh.rks-gov.net/Department/Index/1061?type=1>

45 Interview with Sranda Ramaj, ex-journalist for Koha Ditore. 26 March 2025. Prishtine.

46 Interview with Bujar Vitija – journalist and editor of ‘Shneta’ newspaper, 27 March 2025, Prishtine.

### 6.3. Parliamentary oversight

The Assembly of Kosovo and its respective Committee on Health have the legal authority to oversee how public funds are spent in the health sector. This includes the review of budget laws, financial reports, and audit findings.

Despite this legal capacity, parliamentary oversight remains weak and underutilized. According to experts and journalists covering the sector, members of parliament rarely prioritize detailed financial monitoring.<sup>47</sup> Instead, discussions often focus on political or secondary issues, while key matters such as procurement irregularities, budget execution, and audit findings receive little attention.

The website of the Kosovo Parliament does not contain any information on the activities of the Parliamentary Committee on Health and Social Welfare dating back to 2000.

However, news sources indicate that the committee has invited the Minister of Health to report before it<sup>48</sup>, and that parliamentary questions were posed to him, some of which he responded to<sup>49</sup>, while others went unanswered<sup>50</sup>.

Public hearings on the health budget are rare, and there is minimal follow-up on recommendations made by the National Audit Office.<sup>51</sup>

### 6.4. Auditing budgetary expenditures

Auditing of public spending in the health sector is the responsibility of two main bodies: the Internal Audit Unit within the Ministry of Health and the National Audit Office (NAO), which conducts external audits. While both are essential for ensuring financial accountability, their effectiveness and visibility vary significantly.

The Ministry of Health is required by law to maintain an Internal Audit Unit to monitor the legality and efficiency of internal financial operations. However, no internal audit reports are publicly available, and it is unclear how often they are conducted or what findings they contain. Upon request, the Ministry did provide copies of the internal audit reports for the last two years but clarified in its response that these documents are considered for internal use only, which is why they are not published on their website or shared proactively with the public.

The 2023 Annual Report of the Internal Audit Unit of the Ministry of Health outlines ten audits conducted throughout the year, eight of which were planned and two requested by management. These audits produced 36 recommendations, with the report noting that 97% were implemented, including those carried over from the previous year.

The audits covered a wide range of areas, including licensing of private health institutions, asset management, recruitment practices, vehicle use, medical equipment distribution, IT system management, and marketing authorization of medical products. Findings point to several issues such as poor documentation, conflicts of interest, delays in recruitment procedures, non-functional medical equipment, and overlapping contracts.

Recommendations focused on strengthening internal controls, verifying documentation, avoiding conflict of interest, improving inventory tracking, and ensuring better coordination between institutions. The report also flagged concerns about possible double payments and poor planning in IT-related procurements.

Despite its relevance, the report is shared in a scanned format that is difficult to read and not user-friendly.

On the other hand, the National Audit Office publishes its findings annually and plays a more visible role in promoting financial oversight. According to the NAO's latest reports, the Ministry of Health received a qualified audit opinion for the year 2023. This means that while the financial statements were mostly correct, there were important errors. These included misreporting of liabilities, incomplete documentation for certain projects, and the failure to register equipment purchases properly. These issues point to weaknesses in financial management and internal controls within the Ministry.<sup>52</sup>

47 Interview with Sranda Ramaj, ex-journalist for Koha Ditore. 26 March 2025. Prishtine.

48 Source: <https://lajmi.net/opozita-e-akuzon-per-keqperdorime-ministri-vitia-fton-prokurorine-per-hetime/>

49 Source: [https://www.kuvendikosoves.org/Uploads/Data/SessionFiles/2023\\_12\\_01\\_ts\\_Seanca\\_e9pfrqJn2B.pdf](https://www.kuvendikosoves.org/Uploads/Data/SessionFiles/2023_12_01_ts_Seanca_e9pfrqJn2B.pdf)

50 Source: <https://kallxo.com/lajm/arden-vitia-nuk-pergijgem-ne-pyetje-te-deputeteve-qe-nuk-votuan-marrevshjet-nderkombetare/>

51 Interview with Bujar Vitija – journalist and editor of ‘Shneta’ newspaper, 27 March 2025, Prishtine.

52 National Audit Office. Audit report on annual financial statements of the Ministry of Health for year 2023. Prishtina, May 2024. Source: [https://zka-rks.org/cms/ReportFiles/2024\\_eca8f7b6-1541-4dc3-9900-f73ce4d65b0b.pdf](https://zka-rks.org/cms/ReportFiles/2024_eca8f7b6-1541-4dc3-9900-f73ce4d65b0b.pdf)

In 2022, the Ministry of Health received a more favorable unmodified opinion, meaning the financial reporting was generally accurate. Still, the audit identified repeated problems, such as delays in implementing previous recommendations and inconsistencies in procurement documentation.<sup>53</sup>

In addition to financial audits, the National Audit Office regularly conducts performance audits to evaluate how effectively public funds are being used to achieve intended outcomes. These audits assess public programs and institutions based on the principles of economy, efficiency, and effectiveness.

Several recent performance audits have revealed major weaknesses in how health-related programs are implemented and managed. A 2024 performance audit report focused on the contracting of health and social services by public institutions. The audit found that services were not always cost-effective, and many contracts lacked transparency and proper oversight. In several cases, service delivery was not properly documented, making it impossible to verify if patients actually received the services for which public funds were paid.<sup>54</sup>

Another key report assessed the Essential List of Medicines. Despite being a fundamental tool for ensuring access to basic medicines, hospitals frequently purchased medications outside this list due to poor planning and delays in procurement.<sup>55</sup>

A separate audit examined waiting lists in public health institutions. It found that there is no centralized or reliable system for managing waiting lists across clinics and hospitals. Patients are not always treated based on urgency, and many health institutions fail to keep proper records. Some patients waited months for surgery, while others received treatment more quickly due to inconsistencies in staffing and equipment availability. The audit states that poor planning and coordination at the institutional level continue to result in unequal access to care.<sup>56</sup>

The Pharmaceutical Stock Management System audit from 2024 highlighted major IT and governance gaps. Although more than €6 million has been invested in digitalizing pharmaceutical stock, the system is not fully functional in all healthcare units. It lacks proper data security, performance tracking, and integration with other government systems, making it difficult to ensure that medicines are distributed efficiently and transparently.<sup>57</sup>

An audit of the medical treatment outside public health institutions program found significant financial mismanagement. Among others, the report finds that patients were not treated equally, cases were approved inconsistently, and some diagnoses received funding despite not being on the approved list. In addition, it finds delays in payments were stretched from six months to three years, and reconciliation of expenses with hospitals was poor. The audit revealed that out of €12 million approved, only €2.1 million was properly reconciled, meaning the program failed to control spending or verify the impact of its services.<sup>58</sup>

The findings from both financial and performance audits clearly show that the lack of transparency in the health sector has directly contributed to misuse and inefficiency in the management of public funds.

## 6.5. Overall evaluation of budget transparency in the health sector

According to the World Health Organization (WHO), transparency in health budgeting is a fundamental part of building a fair, efficient, and accountable health system. WHO emphasizes that transparent budgeting helps ensure that public resources are allocated according to health priorities, that funds are spent as planned, and that outcomes can be monitored by both institutions and the public.<sup>59</sup>

It is recommended that governments to publish clear and detailed budget documents, to break down spending by program and service level, and to include performance indicators that link funding with health outcomes. It is highlighted that the importance of citizen engagement and routine public reporting, stating that transparency is essential not only for preventing mismanagement, but also for building trust in the health system and promoting universal health coverage.<sup>60</sup>

53 National Audit Office. Audit report on annual financial statements of the Ministry of Health for year 2022. Prishtina, May 2023. Source: [https://zka-rks.org/cms/uploads/2023/06/RaportiAuditimit\\_MSH\\_2022\\_Eng.pdf](https://zka-rks.org/cms/uploads/2023/06/RaportiAuditimit_MSH_2022_Eng.pdf)

54 National Audit Office. Effectiveness and efficiency of contracting health and social services by the Institutions of the Republic of Kosovo. June 2024. Source: <https://zka-rks.org/Reports/ReportDetails?reportId=4831>

55 A 2024 report by Ombudsperson finds the same flaws when it comes to essential list of medicines. Source: <https://oik-rks.org/2024/12/20/raport-i-avokatit-te-popullit-a-nr-526-2023-r-nr-812-2024-dhe-r-nr-867-2024-ne-lidhje-me-ndermarrjen-e-veprimeve-perkatese-ne-drejtimit-te-zgjerimit-te-listes-se-barnave-esenciale-duke-perfshire-ba/>

56 NAO. Patients' waiting lists in public healthcare institutions. July 2024. Source: [https://zka-rks.org/cms/ReportFiles/2024\\_b71e6b33-5b49-454d-97a1-1a28831feddb.pdf](https://zka-rks.org/cms/ReportFiles/2024_b71e6b33-5b49-454d-97a1-1a28831feddb.pdf)

57 NAO. Pharmaceutical Stock Information Management System. April 2024. Source: [https://zka-rks.org/cms/ReportFiles/2024\\_262780fa-c0e2-4761-b691-f7bffc685094.pdf](https://zka-rks.org/cms/ReportFiles/2024_262780fa-c0e2-4761-b691-f7bffc685094.pdf)

58 NAO. Effectiveness of the program for treatment of patients outside public health institutions. August 2023. Source: [https://zka-rks.org/cms/ReportFiles/2024\\_1bf251d5-5c00-4b3e-a39e-8f5cd6652050.pdf](https://zka-rks.org/cms/ReportFiles/2024_1bf251d5-5c00-4b3e-a39e-8f5cd6652050.pdf)

59 WHO. Budget matters for health: key formulation and classification issues. June 2018. Source: <https://www.who.int/publications/i/item/WHO-HIS-HGF-PolicyBrief-18.4>

60 UHC2030. Toolkit on health budget literacy, advocacy and accountability for UHC. Source: <https://www.uhc2030.org/what-we-do/knowledge-and-networks/civil-society-engagement/budget-toolkit/>

Based on the financial reports of the HUCSK for the years 2022 through 2024, as well as the annual reports of the Ministry of Finance for 2022 and 2023, keeping in mind that the 2024 report has not yet been approved and the Government has until the end of March to do so, the table below provides an overview of budget transparency in the health sector.

The assessment draws on the availability, clarity, and accessibility of financial information published by key institutions responsible for health sector spending, highlighting areas where transparency is improving and others where it remains limited or inconsistent.

**Table 3. Overall budget transparency of health expenditures**

Transparency category	Ministry of Health	HUCSK
Availability of budget documents	Monthly, quarterly and yearly reports are published regularly in last two years	Annual reports for 2022–2024 available
Timeliness of publication	Yes (see above)	Reports published early each year
Clarity and Structure of Reports	Format unclear and not citizen-friendly	Structured financial sections for 2024
Open Data formats	Monthly reports are in excel, but there isn't much information	Only PDFs, not machine-readable
Disaggregation by economic category	Incomplete breakdowns	Categorized by wages, goods, etc.
Performance and output indicators	No KPIs in reports	No
Reporting on procurement	Procurement info not accessible	Basic data on procurements
Mid-Year/Quarterly Execution Reports	Yes, not much data	No
Citizen involvement in budgeting	No hearings or consultations	Internal planning only
Audit Follow-up and Compliance	Audit findings not addressed publicly	Responds but lacks full transparency

Source: GLPS based on HUCSK and MF reports

## 7. Improving standards of reporting in the health sector

Achieving full transparency in health sector reporting requires adherence to internationally recognized standards. A high-quality report should provide a comprehensive, accessible, and data-driven overview of institutional performance. Transparent reporting is critical not only for strengthening public trust but also for enhancing accountability and enabling informed, evidence-based policymaking.

Based on the "Guide to Transparency in Government Budget Reports" by the International Budget Partnership<sup>61</sup>, the main reporting standards recommended for a transparent public financial management system revolve around the publication of eight key budget documents throughout the budget cycle. Each document serves a unique purpose and must contain specific information to meet international standards:

1. Pre-Budget Statement outlines the government's fiscal strategy before the full budget is developed. It should provide forecasts of macroeconomic conditions, long-term fiscal policy objectives, broad sectoral priorities, estimates of major revenues and expenditures, and the costs of any new policy initiatives. This document should be released at least one month before the Executive's Budget Proposal.
2. Executive's Budget Proposal is the central document that lays out the government's planned revenues and expenditures for the upcoming year. It should include macroeconomic assumptions, detailed revenue and expenditure breakdowns by function and ministry, public debt information, and fiscal risk analysis. It must be published at least three months before the start of the fiscal year.
3. Citizens Budget is a simplified, nontechnical version of the main budget documents aimed at informing the general public. It should be written in plain language, include visual summaries (like charts), and be published at the same time as the main budget document it refers to—usually the

61 IBP. Guide to Transparency in Government Budget Reports. Source: [https://internationalbudget.org/wp-content/uploads/Government\\_Transparency\\_Guide1.pdf](https://internationalbudget.org/wp-content/uploads/Government_Transparency_Guide1.pdf)

Executive's Budget Proposal or the Enacted Budget.

4. Enacted Budget is the final version of the budget as approved by the legislature. It should detail changes from the Executive's Proposal, provide comprehensive data on revenue and expenditure programs, and be released no later than three months after its approval.
5. In-Year Reports are short, periodic updates (usually monthly) on budget implementation. They should compare actual spending and revenues against projections, note any deviations, and provide commentary. These reports should be released within one month of the end of the reporting period.
6. Mid-Year Review offers a comprehensive update on the budget's progress and the broader economic environment about halfway through the fiscal year. It includes revised forecasts and evaluations of whether the budget strategy remains appropriate. It should be published within six to twelve weeks after the midpoint of the fiscal year.
7. Year-End Report presents an overview of the government's financial performance compared to what was planned in the Enacted Budget. It should cover total revenues and expenditures, debt levels, and program-level outcomes. It also provides context for future budgeting decisions and should be published shortly after the end of the fiscal year.
8. Audit Report is prepared by an independent supreme audit institution. It assesses the government's financial statements and compliance with budget laws and regulations. This report should be published within a year of the end of the fiscal year and is essential for accountability and oversight.

To align with good international practices, health sector reports should be publicly available in open, machine-readable formats and should clearly link resources to results. A fully transparent report is expected to include:

- annual financial statements with detailed breakdowns of revenues and expenditures, including by program, facility, or region;
- disaggregated spending data (e.g., by category, department, or demographic group)
- performance indicators and benchmarks such as patient outcomes, waiting times, and service efficiency;
- budget execution data showing planned versus actual expenditures;
- procurement and contracting information, including awarded contracts, supplier names, and implementation timelines;
- human resources data, covering staffing levels, distribution, and qualifications;
- service delivery data, number of patients served, service types, coverage levels;
- information on health infrastructure and medical equipment, including availability and condition;
- patient feedback mechanisms, including surveys or formal grievance channels;
- narrative analysis that connects financial inputs to health outcomes;
- presentation in accessible formats, structured datasets (e.g., CSV, Excel).

## 8. Conclusion

This analysis shows that while Kosovo has taken some steps to improve budget transparency in the health sector, major gaps remain, particularly in how public funds are planned, spent, and reported by the Ministry of Health. The lack of regular publication of budget execution reports, the absence of mid-year and quarterly updates, and the failure to present data in open and user-friendly formats significantly reduce the ability of citizens, journalists, and civil society to track health sector spending and ensure that public funds are used efficiently.

The case of HUCSK demonstrates that progress is possible. Over the past three years, HUCSK has made efforts to publish annual financial reports, provide disaggregated data on expenditures, and improve the structure of its reporting. However, even these reports fall short of international standards, as they are not published in open formats and lack clear performance indicators or links between spending and health outcomes. Moreover, the reports are not integrated with the Ministry of Finance's platforms or reflected in the Open Data Portal, which undermines their visibility and usefulness.

Performance audits by the National Audit Office further confirm that poor transparency is directly linked to inefficient use of public funds. From delays in procurement to inconsistencies in the treatment of patients and weak internal controls, these findings underline the urgent need to strengthen transparency as a tool for accountability and improvement. The absence of public participation in the budget preparation phase, combined with weak parliamentary oversight and the lack of follow-up on audit recommendations, allows misuse and underperformance to persist without consequence.

To address these challenges, the following recommendations are proposed:

1. All financial reports should be published in machine-readable formats (e.g., Excel, CSV) and included in Kosovo's Open Data Portal to allow independent analysis by CSOs, journalists, and the public.
2. Reports should include clear categories of spending, comparisons between planned and actual expenditures, and summaries that can be understood by non-experts.
3. Public hearings or online consultations should be introduced during the budget planning phase, allowing input from civil society, health professionals, and the general public.
4. The Health Committee in the Kosovo Assembly should actively monitor budget implementation and follow up on audit findings through hearings and progress reports.
5. The Ministry of Health's internal audit reports should be made public or at least shared with oversight bodies and civil society to strengthen accountability mechanisms.
6. The Ministry of Health, HUCSK and the Ministry of Finance should harmonize reporting formats and timelines to ensure consistency and comparability of health sector data.





Funded by  
the European Union

***Public Funds, Public Health:***  
*Review of Kosovo's Health Budget*  
*Transparency*



Group for Legal  
and Political  
Studies



International  
Budget  
Partnership