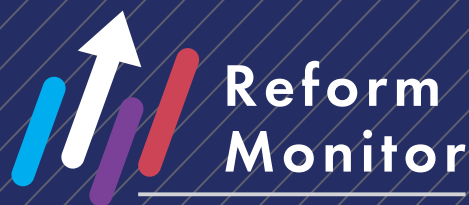




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KOSOVO

Reform Agenda Update - Reform Monitor

2ND SEMESTER, 2025



GROUP FOR LEGAL
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STUDIES

Reform Agenda Update - Reform Monitor

Kosovo - 2ND SEMESTER, 2025

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This publication is part of the series “Reform Agenda Updates”, national monitoring reports that track the implementation of the Reform Agendas as part of the Reform and Growth Facility for the Western Balkans, within the Reform Monitor project.

The “Reform Agenda Updates” assessment focuses on the implementation progress of country-specific obligations under the RGF. Monitoring is conducted through a set of procedural, reform implementation, and financial indicators. The core of the monitoring exercise tracks reform steps with defined deadlines, assessing their implementation status based on publicly available evidence and official documentation obtained by national authorities, and, where relevant, complemented by information from independent institutions and civil society sources. Cross-cutting attention is given to stakeholder participation and transparency.

The monitoring exercise covers selected reforms organised into so-called “*policy domains*,” created by coding the sub-areas of the harmonised policy areas in the Reform Agendas. The selected policy domains, which enable regional-level analyses, benchmarking, and comparability, are supported by the available human resources and the thematic expertise of the TEN network.

For methodological notes and the reform steps selection process, see the draft methodology note at the [link](#).

The Reform Agenda Update is structured as follows. The Key findings and recommendations provide a high-level summary. The Legal and Institutional Arrangements and Requests and Release of Funds sections monitor overall progress in the procedural and financial aspects of implementing the Reform Agenda. The last section, Reforms in Focus: Reform Monitor policy domains, provides independent monitoring findings on selected reforms. Here, each section provides a narrative snapshot of progress and obstacles in implementing Kosovo’s Reform Agenda.

The cut-off date for data collection and assessment for this update is 31.12.2025. Further policy developments may shift the status of currently pending reforms and will be reflected in subsequent updates.

These monitoring updates are not a substitute for the European Commission’s formal assessment role.



Think for Europe Network



European Policy Institute. Skopje



Kosovo has completed the third semester of the Reform and Growth Facility (RGF) implementation without formally ratifying the Facility and Loan Agreements, which is one of the necessary preconditions to benefit from the financial package. The persistent political instability characterised 2025, during which the country had neither a fully mandated government nor a functional assembly. The political paralysis has significantly slowed down executive reforms while completely halting legislative ones. Consequently, the 7% pre-financing, amounting to 61.8 million euros, could not be disbursed, as could funds for some of the already implemented reform steps. As three semesters were concluded without any formal ratification, this situation seriously threatens the vitality of the RGF for Kosovo. Therefore, it is of the utmost importance to take the necessary legal and administrative steps as soon as a new government and assembly are established.

Key Recommendations:

- **Establish the necessary bodies to implement the RGF**, such as the Monitoring Committee, appoint a national coordinator and create an auditing service to fulfil the technical requirements of the agreements and implement the reforms;
- **Prioritise the implementation** of the June 2025 reform steps, as their grace period ends in June 2026. Beyond this deadline, Kosovo would irreversibly lose access to the associated financial incentives;
- **Create a task force for implementation** that will coordinate efforts within the line institutions to implement the most urgent reforms, especially the 13 reform steps foreseen for June 2025, as their grace period ends on June 2026;
- **Compile a list of essential laws** to be approved in an accelerated manner to fulfil some of the reform steps, as the technical work for their drafting is already done, and also allow the work for the other steps dependent on them.

The Kosovar government was one of the first in the region to **negotiate and submit its Reform Agenda (RA)**, which took place in August 2024. Since the European Commission’s approval on 23 October of that year, there was essentially no formal step taken to ratify the agreements and implement the RA until the end of the third semester. The assembly stemming from the 9 February 2025 elections could not be constituted for political reasons and therefore could not vote on any legal initiative. While technical-level work within the public administration has continued ceaselessly, political paralysis has hindered any meaningful progress.

The Facility Agreement was submitted to a vote on 4 December 2024, while the Loan Agreement was signed in November 2025; unfortunately, neither secured enough votes in the Assembly. Fortunately, the Assembly **ratified both Agreements in accelerated procedures on 13 February 2026**. Now the incoming government needs to appoint a National Coordinator and ensure an Anti-Fraud Coordination Service. Additionally, the creation of the Kosovo RGF Monitoring Committee, as foreseen in the Facility Agreement, must ensure civil society’s participation. A Communication and Visibility Plan has already been drawn up and submitted to the European Commission for evaluation.

Procedural Step	Status	Progress Details
Reform Agenda Submission to the EU	Achieved	Final Reform Agenda submitted on 9 October 2024
Reform Agenda Implementing Decision	Achieved	EC implementing decision adopted on 24 October 2024
Facility Agreement Ratification and Entry Into Force	Not achieved	The Agreement was not ratified by the end of the semester on 31 December 2025.
Loan Agreement Ratification and Entry Into Force	Not achieved	The Agreement was not ratified by the end of the semester on 31 December 2025.
National RA Coordinator Appointment	Not achieved	These steps could not be accomplished because the Facility and Loan Agreements were not ratified in a timely manner.
Anti-Fraud Coordination Service	Not achieved	
RGF Monitoring Committee Establishment	Not achieved	
RGF Monitoring Committee Functioning	Not achieved	
Civil Society Participation in the RGF Monitoring Committee	Not achieved	
Technical Infrastructure for Monitoring and Reporting	Not achieved	
Communication and visibility plan	Achieved	

As the Assembly of Kosovo did not ratify the Facility and Loan Agreements by the end of 2025, the official payment request for the third semester could not be submitted. However, the grace period activated at year-end allows for payment requests to be submitted until 31 December 2026. In the interim, the Government of Kosovo has unofficially submitted its Reform Agenda implementation report, aligning with the timelines followed by other countries in the region.¹ Consequently, the European Commission has issued an informal assessment of this progress.

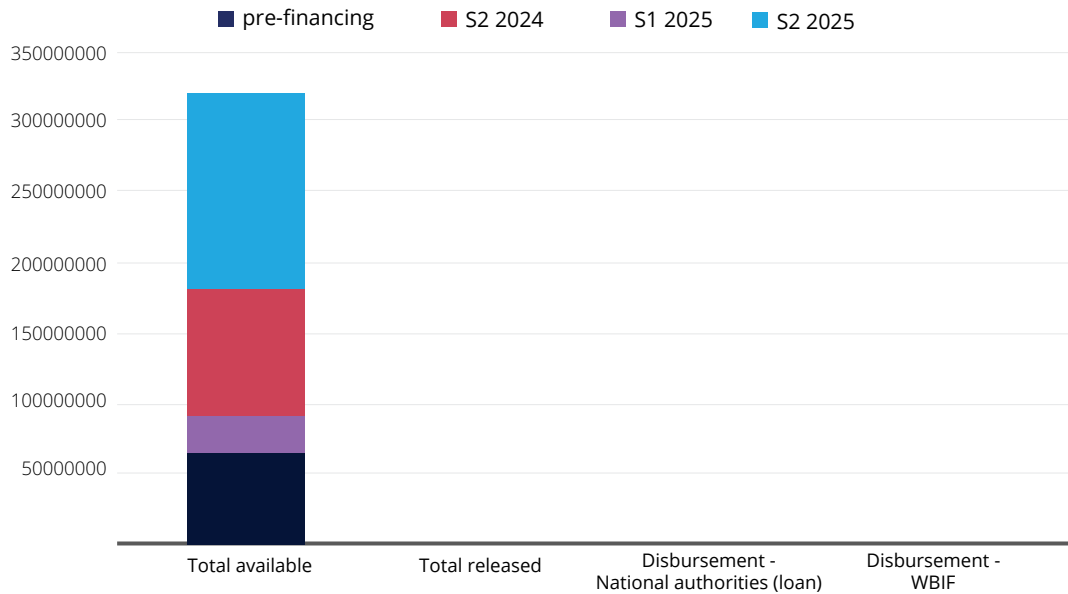
Procedural Step	Status	Progress Details
Pre-Financing request	Not achieved	These steps could not be accomplished because the Facility and Loan Agreements were not ratified in a timely manner.
Pre-Financing disbursement	Not achieved	
Semi-annual payment request submission	Not achieved	
Supporting documentation for reform completion (national semi-annual reporting)	Not achieved	
EC assessment on RA implementation	Not achieved	
General Conditions met	Not achieved	
Pre-Conditions met	Not achieved	
Annual RGF Implementation Report Prepared and Submitted	Not achieved	

Kosovo’s Reform Agenda outlined 20 reform steps for the third semester, ending on 31 December 2025, with a total allocation of **134.6 million euros**. As the **Assembly of Kosovo** had not ratified the **Facility and Loan Agreements** by the end of the third semester, the official payment request could not be submitted, and no financial disbursements were processed during this period. However, the grace period activated at the end of the year allows for payment requests to be submitted until 31 December 2026.

In the interim, the Government of Kosovo has unofficially submitted its Reform Agenda implementation report, aligning with the timelines followed by other regional countries. Consequently, the European Commission has issued an informal assessment of this progress. This legislative hurdle was officially cleared on 13 February 2026, when the Assembly adopted both Agreements through accelerated procedures, enabling the formal process to move forward.

¹ Interview with a civil servant from the Office of the Prime Minister.

Kosova use of RGF funds, S2 2025 (Jul-Dec 2025)



In the coming period, the government and the Assembly of Kosovo will need to accelerate the pace of reforms to fulfil obligations, meet deadlines to benefit from the financial incentives of the Reform and Growth Facility. June 2025 reform steps deserve special attention, as their grace period ends on 30 June 2026, creating an urgent need to address them. However, it is important to note that the quality of the reforms is of paramount importance and cannot be sacrificed for the sake of speedy delivery. Thus, Kosovar institutions should work to implement reforms quickly, in close cooperation with the EU, international partners, and civil society, to ensure thorough implementation.

In this update, the Reform Monitor tracked 5 reform steps across the selected policy domains, out of 20 reform steps scheduled for implementation by the cut-off date. The coverage includes reform steps with deadlines in the reporting semester, December 2025, as well as outstanding steps from previous semesters (e.g. December 2024 and June 2025) that remain relevant for implementation and RGF assessment. This update covers 17 reform steps in total.

The table below provides a summary overview by policy area and policy domain, indicating which reforms are monitored. It indicates how many reform steps are monitored in each case as an entry point to the detailed policy-domain analysis and reform-step assessments presented in the following sections.

Policy area (harmonised)		
Reform (ID & Title)	Progress Details	In focus [due and monitored]
Fundamentals and Rule of Law		
Judicial reforms	Improve the performance, integrity, accountability and efficiency of the judiciary, including by implementing the Joint Commitment Statement	1/5 steps, due and monitored
Anti-corruption	Improve the efficiency to fight corruption through prevention and repression and by improving the strategic framework	0/5 steps, due and monitored
Fight against organised crime	Effectively implement police organizational structure allowing for intelligence-led approach to fight organized crime, implement strategic approach to fighting organized crime and improve multi-disciplinary cooperation in complex cases, leading to increase in convictions	1/3 steps, due and monitored
Digital Transition		
Digital public services	Ensure user-friendly digital public service delivery through administrative burden reduction and improved quality and increased number of services available online.	1/7 steps, due and monitored
Cyber resilience	Comprehensive framework for cyber resilience (introducing requirements of NIS2 Directive and strengthening relevant institutions)	0/4 steps due and monitored
Energy and Green Transition		
Renewables	Development of transparent and competitive procedures for the deployment of renewable energy	1/3 steps, due and monitored
Market reforms	Implementation of the Energy Efficiency Directive and the Energy Performance in Buildings Directive	0/3 steps, due and monitored
Human Capital		
Vocational education and training (VET)	Align education, with labour market needs through close cooperation with the business community and through revising the legal framework on VET and adult education and increasing work-based learning in VET schools	1/6 steps, due and monitored
Business Environment and Private Sector Development		
Competition policy /State aid	Facilitate investments of private sector and improve mechanisms to attract FDI in strategic sectors promoting adoption of higher value-added products and services and innovation	3/6 steps due and monitored
State-owned enterprises (SOEs)	Improve the governance, efficiency, and accountability of Publicly-Owned Enterprises (POEs) to enhance their contribution to the economy	1/3 steps, due and monitored

The main focus of the policy reforms in the *Judicial Reforms* in the third semester was the adoption of the Civil Code, operationalisation of the Unit for Translation in the Office of the Prime Minister, introducing new measures in the Assembly's rules of procedures and terminating the visa-free regime with at least one visa-requiring country for the EU. In previous semesters, the reforms included the full utilisation of the CMIS by the judicial system and the implementation of integrity checks for judges and prosecutors. The overall purpose of these reforms is to speed up the adoption of the *acquis* by Kosovo by setting up a well-functioning judicial system and improving legislation. Because of the political deadlock that characterised 2025, little progress was made, especially on reforms requiring legislative approval, such as the Civil Code.

Reforms Reform steps	Deadline (due in)	Implementation status	Reform Monitor findings
Improve the performance, integrity, accountability and efficiency of the judiciary, including by implementing the Joint Commitment Statement			
Reinforcing the monitoring and reporting mechanism to ensure the full and effective use of the Case Management Information System (CMIS), based on accountability and linked to disciplinary measures.	Dec 2024	EC assessment pending – Grace period until Dec 2026	The KJC has adopted a regulation to make the use of CMIS compulsory. The working group conducts regular reports on platform usage. The KJC has taken disciplinary measures against an official for the failure to use it.
Ensure effective integrity checks in line with European standards through the regular full verification of the assets declarations of judges and prosecutors by the Agency for the Prevention of Corruption, including by crosschecking the information with relevant institutions; amend the Law on disciplinary liability of judges and prosecutors to address the findings of the TAIEX peer review mission, including by introducing a specialized investigation body; improve the recruitment system by strengthening the current mechanisms for background verification of candidates, including by clarifying its scope and procedures. Ensure that the legislative reforms implementing the Joint Commitment Statement are aligned with European Standards; and allowing sufficient time for their consultation and review to this end.	Jun 2025	EC assessment pending – Grace period until Jun 2026	A new law on disciplinary measures was not adopted, despite a transparent consultation process. The draft text includes a special investigative body. The Agency for Prevention of Corruption has instituted a policy of full verification of annual asset declarations by every judge and prosecutor every three years, ensuring verification of at least a third of all judges and prosecutors each year.
Adopt the Civil Code	Dec 2025	EC assessment pending – Grace period until Dec 2026	The Civil Code was introduced in the Assembly, but it failed to receive the necessary majority vote. Therefore, the draft is to be resubmitted to the newly constituted assembly.

IMPROVE THE PERFORMANCE, INTEGRITY, ACCOUNTABILITY AND EFFICIENCY OF THE JUDICIARY, INCLUDING BY IMPLEMENTING THE JOINT COMMITMENT STATEMENT

- ***Reinforcing the monitoring and reporting mechanism to ensure the full and effective use of the Case Management Information System (CMIS), based on accountability and linked to disciplinary measures - December 2024 - EC assessment pending:***

This reform step aims to improve the accountability of the judicial system by improving the use of the Case Management Information System (CMIS). CMIS is a centralised digital platform that ensures full transparency by enabling the virtual management and tracking of cases. To implement this reform step, the Kosovo Judicial Council (KJC), with the collaboration of the Prosecutorial Council where appropriate, needs to adopt regulations to make the use of CMIS mandatory and to take disciplinary measures for failure to use the system.

The Kosovo Judicial Council has taken measures to fulfil this reform step by adopting an internal regulation that makes the use of CMIS obligatory. KJC has published its [official Regulation](#) on the Use of the Case Management Information System (CMIS). According to the Freedom of Information reply, KJC has reported that it is monitoring the judges' use of CMIS and has taken disciplinary action for the failure to utilise it. These measures so far include written admonition. A [Council of Europe report](#) states that, as of 2024, CMIS is in use across all courts in Kosovo. Nonetheless, there have been media reports that at least the [Special Prosecutor's Office has not utilised](#) the system. There has been no update on the implementation of this reform step, which awaits the European Commission's assessment.

- ***Ensure effective integrity checks in line with European standards through the regular full verification of the asset declarations of judges and prosecutors by the Agency for the Prevention of Corruption, including by crosschecking the information with relevant institutions; amend the Law on Disciplinary Liability of Judges and Prosecutors to address the findings of the TAIEX peer review mission, including by introducing a specialised investigation body; improve the recruitment system by strengthening the current mechanisms for background verification of candidates, including by clarifying its scope and procedures. Ensure that the legislative reforms implementing the Joint Commitment Statement are aligned with European standards, and allow sufficient time for their consultation and review to this end - June 2025 - EC assessment pending:***

For quite some time, there have been discussions about reforming the judicial system and even instituting a [vetting procedure](#). While this reform step is not as comprehensive as the initial idea, it does introduce some vetting procedures by verifying the assets of judges and prosecutors, conducting background checks on new appointments and amending the existing law on disciplinary liability of judges and prosecutors.

There is a [Draft Law, amending the Law on the Disciplinary Liability of Judges and Prosecutors](#), which has not been adopted due to political instability in 2025. The text of the draft law includes a specialised investigative body, under which any time a serious misdemeanour is committed by a judge or prosecutor, a special investigative committee will be formed to investigate the case. The Agency for the Prevention of Corruption has instituted a policy of checking the assets of the members of the judicial system, i.e. judges and prosecutors, every third year, which continues to operate smoothly. The incoming Assembly needs to adopt the law to complete this reform step.

- ***Adopt the Civil Code - December 2025 - EC assessment pending:***

This measure seeks to modernise Kosovo's civil law framework by enacting the aforementioned [Civil Code](#), which aligns with [European legal frameworks and standards](#). The adoption of the Civil Code aims to strengthen the stability of the legal framework and unity, and to optimise the structure of the legal environment.

The main benchmark or milestone for this reform required parliamentary approval and to take legal effect by December 2025. As of the cutoff date, the Civil Code had been presented to the Assembly [without succeeding in achieving the required votes for passing](#). Therefore, the law was not adopted and did not enter into force within the reported timeframe. Third parties and external actors comprising civil society [issued several statements](#) regarding these developments.

Regardless of the voting procedure, the drafting procedure underwent a wide range of consultations, as, alongside the usual [consultation process](#), the Ministry of Justice working group organised over thirty meetings and events to present the draft and gather ideas. However, civil society organisations have had their criticism, especially regarding the [lack of regulation](#) of the rights of same sex couples to marry. However, the European Union Office in Kosovo [has supported this draft and warned](#) that the failure to adopt the Civil Code would have significant drawbacks for Kosovo regarding the Reform Agenda as well. With the establishment of the new legislature, this reform step represents relatively low-hanging fruit for implementing the Reform Agenda and therefore needs to proceed in due course.

Reforms in the *Fight Against Corruption and Fight Against Organized Crime* primarily focused on improving Kosovo’s institutional preparedness to address corruption and organised crime. These issues not only harm the rule of law and the economy, but also hinder the country’s efforts to join the EU. The reform steps in this policy domain include the adoption of the Anti-Corruption Strategy, increase the number of whistle blowing officials, an increase in the number of cases that the Agency for Prevention of Corruption forwards to the prosecution, decreasing the waiting time for corruption and organized crime cases to at most one year, and an increase in the number of indictment and investigation for high level corruption cases. There are no reform steps dedicated to the third semester in this subdomain. However, little progress was reported since the last semester because of the government’s caretaker mandate for most of 2025. There was good progress recorded in the Agency for Prevention of Corruption’s reform step to increase whistle-blowing reports, which can be attributed to the fact that, as an independent organization it is much less affected by the work of the central government and the Assembly.

Reforms Reform steps	Deadline (due in)	Implementation status	Reform Monitor findings
Improve the efficiency to fight corruption through prevention and repression and by improving the strategic framework			
Adopt an Anti-Corruption Strategy for 2024–2027, in line with European best practices and standards and national constitutional principles and including annual action plans with measurable objectives and a reporting mechanism on its implementation	Dec 2024	EC assessment pending – Grace period until Dec 2026	The strategy was not adopted by the government. The consultation process was public, and the draft was published. There was no outreach event to present the strategy.
Increase the number of whistleblowing reports processed by the Agency (by 30% compared to 2024)	Dec 2024	EC assessment pending – Grace period until Dec 2026	There was a 140% increase in cases reported to the APC, and a 50% increase in cases forwarded to the prosecution.
Effectively implement police organizational structure allowing for intelligence-led approach to fight organized crime, implement strategic approach to fighting organized crime and improve multi-disciplinary cooperation in complex cases, leading to increase in convictions			
Strategy for fighting organised crime adopted, focusing on strengthening institutional cooperation, financial investigations and intelligence capacities; confiscation fund is established; establishment of intelligence structures at police regional and central level with sufficient human and technical resource.	Jun 2025	EC assessment pending – Grace period until Dec 2026	The strategy was not adopted by the government as it only established the working group only in October 2024. An inter-institutional coordination mechanism is included. A confiscation fund has not been created and, consequently, is not operationalised, as the work is ongoing. The draft will be open to consultation as soon as it is finished

IMPROVE THE EFFICIENCY TO FIGHT CORRUPTION THROUGH PREVENTION AND REPRESSION, AND BY IMPROVING THE STRATEGIC FRAMEWORK

- **Adopt an Anti-Corruption Strategy for 2024–2027, in line with European best practices and standards and national constitutional principles and including annual action plans with measurable objectives and a reporting mechanism on its implementation – December 2024 - EC assessment pending:**

The Kosovar government has started the procedures of adopting an anti-corruption strategy for the period 2024-2027. To that end, a draft was presented to the public and put out for [public consultation](#), although it was available for only for 13 days, contrary to the government's own [regulation](#) which requires at least 15 working days of consultation, and only two civil society organisations could submit their comments. Since then, no progress has been recorded because, according to the [Law on the Government](#), a caretaker government cannot adopt a new strategy. The incoming government needs to adopt a new strategy as soon as possible. Additionally, the government needs to address [numerous contentions](#) raised by civil society organisations and the European Union.

Some of the criticisms include the lack of a well-developed action plan with easily identifiable actions. Also, the document mentions a monitoring mechanism; however, it does not clarify how it functions, and its responsibilities are not clearly defined. Some civil society organisations [have criticised](#) its imbalance by placing the Constitutional Court in a supervisory role over the Kosovo Judicial Council (KJC) and Prosecutorial Council (KPC). [Group for Legal and Political Studies \(GLPS\)](#), on the other hand, has pointed out a lack of digital infrastructure to carry out the intended reforms, improper addressing of public administration corruption, and that public procurement legal amendments are not clarified. The draft has failed to address many of the substantial comments raised by the EU. Additionally, there are insufficient measures to address conflicts of interest, private-sector corruption, and issues related to international cooperation.

- **Increase the number of whistleblowing reports processed by the Agency (by 30% compared to 2024). – December 2024 - EC assessment pending:**

This reform step intends to improve the accountability of public officials by incentivising potential whistleblowers to come forward. In a response to a freedom of information request, the Agency for the Prevention of Corruption has reported that it has achieved the intended increase as of the end of 2024. In 2024, the APC processed a total of 48 reports, representing a 140% increase. To broaden its appeal, APC has developed an online platform, a mobile app,

and has trained officials across institutions to gather and monitor evidence. Additionally, APC has organised at least 10 training sessions with public officials to inform them about their rights. No developments have occurred since, and this reform step awaits the European Commission's formal assessment.

IMPROVE THE EFFICIENCY TO FIGHT CORRUPTION THROUGH PREVENTION AND REPRESSION, AND BY IMPROVING THE STRATEGIC FRAMEWORK

- ***Strategy for fighting organised crime adopted, focusing on strengthening institutional cooperation, financial investigations and intelligence capacities; confiscation fund is established; establishment of intelligence structures at police regional and central level with sufficient human and technical resources - June 2025 - EC assessment pending:***

Kosovo adopted its last [strategy against organised crime](#) in 2018, and its time limit ended in 2022. Ever since, the government has been working to draft and adopt a new strategy. The Ministry of Internal Affairs has responded to a Freedom of Information request and has clarified that the working group to draft the strategy has been established. However, to date, no draft has been presented to the public or has undergone consultations. The strategy has become yet another victim of the prolonged political paralysis of 2025, and the incoming government needs to work on creating a good document, with input from civil society and other actors such as the EU, and adopt it within the government as soon as possible.

Some considerations for the new government are that the new law should create an asset confiscation fund, operationalise it through an active account and establish its rules of procedure. Additionally, there shall be an inter-institutional coordination mechanism to ensure the smooth functioning of the system in cooperation with all relevant public institutions. Although the Ministry of Internal Affairs has currently foreseen the establishment of such a mechanism, it should clarify how it will function.

Reforms in Digital Transition aim to modernise the services provided to citizens by digitalising them wherever possible. In the third semester, the policy reform in this domain included alignment with the European Union's Gigabit Infrastructure Act, which aims to deploy high-speed 5G internet throughout the EU. Previously, another reform step aimed to reduce the administrative burden on citizens by reviewing all laws using the new administrative burden-reduction methodology. Some of the other reform steps include: elimination of fiscal cash registers, strengthening interconnectivity of civil registry to other government registries such as Agency for Business Registration (ABRK), Tax Administration Kosovo, Address System (ARIS), setting up 10 public registers standardised and digitalised by the administration to improve the 'once-only' principle, offering 50% of public services for citizens and businesses online and full compliance with the EU Digital Identity Regulation, achieve readiness to participate in the Balkan Identity Wallet. The eventual alignment with EU standards for providing digital services will cut red tape bureaucracy and enable the full utilisation of the country's economic potential, while also speeding up integration with the EU.

Reforms Reform steps	Deadline (due in)	Implementation status	Reform Monitor finding
Ensure user-friendly digital public service delivery through administrative burden reduction and improved quality, and increased number of services available online			
100% of the new laws imposing an administrative burden are reviewed in the context of prevention of administrative burden according to the Administrative Burden Reduction methodology	Jun 2025	EC assessment pending – Grace period until Jun 2025	50 out of 52 laws initiated within the time period were reviewed through lenses of ABR

ENSURE USER-FRIENDLY DIGITAL PUBLIC SERVICE DELIVERY THROUGH ADMINISTRATIVE BURDEN REDUCTION AND IMPROVED QUALITY AND INCREASED NUMBER OF SERVICES AVAILABLE ONLINE

- ***100% of the new laws imposing an administrative burden are reviewed in the context of prevention of administrative burden according to the Administrative Burden Reduction methodology - June 2025 - EC assessment pending:***

In recent years, a new [Administrative Burden Reduction programme](#) has been introduced to provide better services to citizens. In that regard, in 2024, the government enacted 52 new laws, of which 50 were reviewed under the new methodology to reduce administrative burden. As this would translate into a success rate above 90%, it shows good progress in implementing this reform step. However, the final decision on the implementation status will be made by the European Commission.

So far, no reform steps have been designated for the first three semesters in the *Cyber Security* policy domain. However, in the next semesters, some reform steps will include the operationalisation of a Computer Emergency Response Team (CERT), the adoption of a new cybersecurity law, the implementation of the Network and Information Security Directive 2 (NIS2), and the establishment of the Cyber Security Agency (CSA). These reforms will address the current vulnerabilities in the cybersecurity sector by establishing new agencies and adopting EU standards. This process will also assist with the adoption of the relevant *acquis* that will make negotiations for accession easier down the line.

Kosovo's energy production remains [heavily reliant on coal-fired thermal plants](#), which generate significant pollution and are highly inefficient. Not only does this situation cause environmental problems, but the coal-based model will also pose enormous economic barriers when Kosovo joins the EU and will subsequently create additional costs for producers within the [Emissions Trading System \(ETS\)](#), which taxes companies that rely on fossil fuels for production. Therefore, Green Transition occupies a central place in the Reform Agenda. In the third semester, reform steps include adopting a law on the energy regulator, revising secondary legal acts related to the climate change law, and simplifying permitting procedures for renewable energy projects. Past semesters included an announcement of an auction to deploy a 150 MW wind farm. While some progress has been noted on these policies, the government's caretaker mandate for much of 2025, combined with the Assembly's non-constitution, hindered any meaningful progress.

Reforms Reform steps	Deadline (due in)	Implementation status	Reform Monitor findings
Development of transparent and competitive procedures for the deployment of renewable energy			
Simplify permitting procedures for renewable energy projects	Dec 2025	EC assessment pending – Grace period until Dec 2026	The law on the promotion of the use of renewable resources, effective from 2024, provides the legal foundation. Secondary legislation has been drafted, and it is still subject to approval. The permitting framework has not yet been applied.
Announce a 3-year auction plan and launch an auction for the deployment of 150 MW of wind power	Dec 2024	EC assessment pending – Grace period until Dec 2026	The auction was launched; however, it is not for 150 MW.

DEVELOPMENT OF TRANSPARENT AND COMPETITIVE PROCEDURES FOR THE DEPLOYMENT OF RENEWABLE ENERGY

- ***Simplify permitting procedures for renewable energy projects – December 2025 - EC assessment pending:***

This reform aims to ease access for households and large installations, such as solar farms, to acquire renewable energy production platforms licence. To that end, the Assembly has adopted the [Law on the Promotion of the Use of Renewable Energy Sources](#), back in 2024, to grant the legislative framework and set of regulations to simplify administrative procedures for streamlining renewable energy methods in line with the EU Renewable Energy Directive (RED II).

The Ministry of Economy has clarified in a Freedom of Information request that the Terms of Reference (ToR) for the E-Permits System were settled in February 2024. Nevertheless, the implementation of the digitalised permitting system depends on the availability of financial or budgeting resources and procurement procedures.

Although the primary legislation is in place, the Ministry of Economy needs to adopt the secondary legislation to simplify permitting procedures as soon as possible. It has already [adopted an administrative act](#) regarding the competitive bidding process for renewable energy support, and only after addressing this issue can the renewable deployment reforms be fully achieved. With the new government taking office, one of the priorities in the energy field should be the adoption of the secondary legal acts to fulfil this reform step.

- ***Announce a 3-year auction plan and launch an auction for the deployment of 150 MW of wind power - December 2024 - EC assessment pending:***

Kosovo has a heavy reliance on coal for energy production, and in recent years, the government has taken initial steps to phase it out. To catch the step with the rest of the European Union, which is shifting towards renewable energy production, Kosovar government has adopted a new [Energy Strategy](#) for the period 2022-2031. This strategy will enable the eventual phasing out of the outdated coal plants and the introduction of up to 1600 MW of renewable energy production.

In this context, the Ministry of Economy (MoE) was supposed to initiate a new three-year auction plan. This was designed to avoid some of the previous ad hoc decisions made to introduce renewable resources and provide long-term clarity. Within this plan, the government is to call for an auction of a 150 MW wind farm. The auction needs to be transparent and competitive, with substantial public communication.

MoE has initiated [a new auction](#) for a wind park, however, with a production capacity of 100 MW. This follows the [previously announced auction plan](#), a three-year document that provides clarity for investors on the government's long-term plans. The publication is available on [a website](#) and was well-advertised on social media. Although the plan and the auction fulfil many of the demands for a well-implemented reform, the auction calls for a 100 MW project, not the 150 MW project initially foreseen, which remains a significant shortcoming. The European Commission has not issued its assessment as of yet.

Kosovo has had systemic problems in the education sector, as evidenced by PISA scores that place the country near the bottom of the list. Therefore, Human Capital has the most policy reforms in the Reform Agenda to address these systemic issues. Some of the reform steps foreseen for the third semester are the entry into force of a new law regulating vocational education and training, an increase in the 0-2 age group attending daycare to 8% and the implementation of the reorganisation plan in at least 40% of the schools. Previously, one of the most important reform steps included the acquisition of full membership in ENQA, which took place in July 2025. Overall, the pace of the reforms in this policy domain is slow, and the incoming government needs to quickly pass the relevant laws and implement executive reforms.

Reforms Reform steps	Deadline (due in)	Implementation status	Reform Monitor findings
Align education with labour market needs through close cooperation with the business community and through revising the legal framework on VET and adult education and increasing work-based learning in VET schools			
Full membership of ENQA	Jun 2025	EC assessment pending – Grace period until Jun 2026	Full membership was attained.
Entry into force of new law regulating VET (including governance, curricula, funding formula and network of VET institutions) and adult education (AE) in line with European standards	Dec 2025	EC assessment pending – Grace period until Dec 2026	A draft Law on Vocational Education and Training was presented for consultations, awaiting approval by the Assembly.

ALIGN EDUCATION, WITH LABOUR MARKET NEEDS THROUGH CLOSE COOPERATION WITH THE BUSINESS COMMUNITY AND THROUGH REVISING THE LEGAL FRAMEWORK ON VET AND ADULT EDUCATION AND INCREASING WORK-BASED LEARNING IN VET SCHOOLS.

- **Full membership of ENQA – June 2025 - EC assessment pending:**

While Kosovo was previously a member of the European Association for Quality Assurance in Higher Education (ENQA), its [membership was suspended in 2019](#). This situation adversely affected the accreditation status of the Kosovar universities within the European higher education arena. Although no progress was made during the second semester, Kosovo was [readmitted to ENQA with full rights during the grace period on 14 July 2025](#). This decision was [communicated to the public](#) by the Kosovo Accreditation Agency. This reform step is one of the few areas where measurable progress was made during the grace period. The final assessment of the European Commission is yet to be published.

- ***Entry into force of new law regulating VET (including governance, curricula, funding formula and network of VET institutions) and adult education (AE) in line with European standards – December 2025 - EC assessment pending:***

This reform aims to renew the governance system and framework of vocational education and training (VET) by adopting and enforcing an updated legislative framework. This was done with the aim of modernising vocational and adult education to improve their adaptability to the labour market and address strategic shortcomings in vocational professions in the Kosovar job market.

To that end, the Ministry of Education, Science, and Technology (MEST) has prepared a [draft Law on Vocational Education and Training](#). It has already undergone a consultation process on the [consultation platform](#). There are two dozen comments on the draft from citizens, civil society and even international education experts. This level of engagement points towards a relatively high participation. Although most of them point out the shortcomings of the draft, even the European experts assess it positively for its adoption of the relevant *acquis*. Unfortunately, the political paralysis of 2025 has made voting on this draft law unattainable.

The incoming government needs to seriously address the comments from the consultation process and present a draft that addresses the concerns raised there. Afterwards, the new Assembly needs to vote on the law for it for the law to take effect

The primary goal of the Reform and Growth Facility is to **stimulate economic growth**, with the aim of doubling the GDP of the Western Balkans by 2030 and preparing it for EU membership. To that end, *Business Environment and Private Sector Development* is one of the most important policy domains to achieve that goal. Previous semesters included reform steps such as the establishment and operationalisation of the state aid control system, the adoption of the law on innovation, the operationalisation of the National Innovation Council and the Innovation Fund. In the current semester, the establishment of the Agency of Investment and Export and the public registry of all Publicly Owned Enterprises (POEs) were some of the most important reforms. The Assembly's inability to pass laws in 2025 has rendered the implementation of the legal reform steps impossible, while the government's caretaker role also hindered executive reforms. Therefore, the incoming government needs to seriously fasten reforms.

Reforms Reform steps	Deadline (due in)	Implementation status	Reform Monitor findings
Improve the governance, efficiency, and accountability of Publicly-Owned Enterprises (POEs) to enhance their contribution to the economy.			
Ensure that All POEs registry are publicly available and up-to-date, including information on the ownership. 100% of the POEs have established an independent audit committee to address findings from internal and external audits, including the fiscal risk management findings. The unit responsible for monitoring POEs as a monitoring mechanism requires a report on the elimination of the auditor's findings and fiscal risk management findings within the deadline set by the Board of Directors, analysing and demanding accountability based on audit recommendations and fiscal risk elements	Dec 2025	EC assessment Pending – Grace period until Dec 2026	The Ministry of Economy has published a registry, which includes all central-level POEs. However, the information needs to be updated.
Competition policy /State aid			
Agency of Investments and Export and the Agency for support of the Enterprises established and fully operational]	Dec 2025	EC assessment pending – Grace period until Dec 2026	The Government had for a long time planned to create an export-oriented agency and only recently did it publish the founding regulation. It also is budgeted in the 2026 budget.
State Aid Commission established	Dec 2024	EC assessment pending – Grace period until Dec 2026	Members of the State Aid Commission need to be voted in the Assembly, which could not take place because of political instability.
State aid control system is functional	Jun 2025	EC assessment pending – Grace period until Jun 2025	The state aid control system can be operationalised only after the establishment of the State Aid Commission, subject to a vote in the assembly.

Adoption of the Law on Innovation and Entrepreneurship	Dec 2024	EC assessment pending – Grace period until Dec 2026	The Assembly could not adopt the law due to political instability.
The National Innovation Council and the Innovation Fund have been established and are fully operational	Jun 2025	EC assessment pending – Grace period until Jun 2025	The establishment of the Council is contingent upon the prior adoption of the Law on Innovation and Entrepreneurship.

IMPROVE THE GOVERNANCE, EFFICIENCY, AND ACCOUNTABILITY OF PUBLICLY-OWNED ENTERPRISES (POES) TO ENHANCE THEIR CONTRIBUTION TO THE ECONOMY

- Ensure that all Publicly Owned Enterprises (POEs) registries are publicly available and up-to-date, including information on the ownership. 100% of the POEs have established an independent audit committee to address findings from internal and external audits, including the fiscal risk management findings. The unit responsible for monitoring POEs as a monitoring mechanism requires a report on the elimination of the auditor’s findings and fiscal risk management findings within the deadline set by the Board of Directors, analysing and demanding accountability based on audit recommendations and fiscal risk elements– December 2025 - EC assessment pending:***

This reform seeks to strengthen institutional transparency and public accountability in the administration of Publicly Owned Enterprises (POEs) by establishing an effective registry encompassing all POEs in Kosovo. Additionally, it foresees the publishing of the auditing reports and their addressing to ensure the financial performance of these companies.

There has been some progress in this reform step as the Ministry of Economy (MoE) has issued an [online registry](#) of central-level public enterprises. However, this registry has information regarding the 10 largest POEs in the country that also have a central-level mandate. Another [online registry of the MoE of regional water and irrigation companies](#) is also publicly accessible, bringing the total to 17 POEs that are part of a public registry. This is in line with the [Law on Publicly Owned Enterprises](#), as it delegates the local POEs’ management to municipalities.

As for the independent auditing committees, the Ministry of Economy has replied to a freedom of information request, clarifying that all POEs with a functional Board of Directors have appointed such committees. Government authorities need to ensure that all POEs have functional boards with enough

members for decision-making to ensure proper decision-making, and then proceed with the establishment of the auditing committees in the remaining POEs. Finally, the POEs regularly report to the MoE on their financial performance. If MoE detects potential risk, the report is forwarded to the Ministry of Finance for action.

In the coming period, the government needs to update the registry of Publicly Owned Enterprises to provide accurate, up-to-date information on the ownership and management of POEs. Further, all POEs need to have functional boards to appoint auditing committees to monitor the financial activities. Finally, the mechanism for the follow-up of audit findings needs further improvement by the MoE to better identify potential risks and prevent their inflation.

FACILITATE PRIVATE SECTOR INVESTMENT AND IMPROVE MECHANISMS TO ATTRACT FOREIGN DIRECT INVESTMENT (FDI) IN STRATEGIC SECTORS, PROMOTING THE ADOPTION OF HIGHER VALUE-ADDED PRODUCTS, SERVICES, AND INNOVATION

- ***State Aid Commission established - December 2024 - EC assessment pending:***

Kosovo has a [law regulating state aid](#), which mandates the establishment of a State Aid Commission (SAC) to handle applications for state aid. However, it has been dysfunctional since 2022 and needs new members to be voted on by the Assembly to become operational again. Given that the vast majority of 2025 was spent without a functional Assembly, no new members could be voted in.

To fully implement this reform step, the Assembly needs to vote in new members of the SAC in order to be considered established and possess a decision-making quorum again. Additionally, the existing state aid law needs to be amended, and staff need to undertake specialised training to benefit from the latest EU knowledge on this topic. The newly established legislature needs to elect new members to the Commission to complete the first step in reassembling the institution. Additionally, the Commission must adopt its rules of procedure to establish the system for clarifying the application and acquisition procedures for state aid.

- ***State aid control system functional - June 2025 - EC assessment pending:***

The precondition for the functionalisation of the state aid control system is the election of a new body of the State Aid Commission. Since the Commission was not elected, the system could not be operationalised either. The full operationalisation of the state aid system will require amending the current [Law on State Aid](#) and complementing it with secondary legal acts that regulate the review mechanism. Additionally, the SAC needs to be fully staffed and supplied transparently. This staff needs to undergo training on the latest EU *acquis* on this topic. Finally, the system should publicise its decisions in a public registry to ensure full and total transparency.

- ***Agency of Investments and Export and the Agency for support of the Enterprises established and fully operational - December 2025 - EC assessment pending:***

The Kosovar government has long intended to establish an Agency for Investment and Export. The legal basis for establishing this agency is the [Law on Strategic Investments](#). Recently, the Office of the Prime Minister has published the [Internal Regulation](#) of the organization which is the founding procedure and establishes its organs and mandate. Additionally, an institutional budget has been allocated in the already-approved [2026 budget](#).

Once the agency is established, it needs to be operationalised with appropriate staff, which should be recruited through a merit-based process. Starting from the executive director, the executive needs to staff the new institution with competent personnel. Additionally, sufficient funds must be allocated to enable the institution to fulfil its mandate. The 2026 budget allocates less than 800 thousand euros, a figure that is set to decrease in the following years. The government needs to significantly increase current funding to achieve the expected results.

SUPPORT THE CREATION AND SCALING UP OF START-UPS AND MSME'S SPECIALISED IN ICT AND GREEN AND CIRCULAR ECONOMY, AS WELL AS THE UPTAKE OF GREEN TECHNOLOGIES, THROUGH THE INNOVATION FUND AND BUSINESS INCUBATORS

- ***Adoption of the Law on Innovation and Entrepreneurship - December 2024 - EC assessment pending:***

This reform step aims to establish the legal basis for promoting innovation and entrepreneurship among Kosovo's youth. To that end, a new law in this field will be drafted and undergo a consultation process. This draft must incorporate EU Regulations on Ecolabel and Ecodesign to ensure that green technologies receive adequate support and a clear regulatory framework.

Currently, Kosovo does not have a law to provide support for innovation and entrepreneurship. The Ministry of Industry, Entrepreneurship and Trade has prepared a [draft law](#) which has undergone [public consultations](#). However, the political crisis that characterised 2025 has rendered its adoption in the Assembly impossible. The newly elected Assembly needs to vote the law into effect as soon as possible, as all the bureaucratic work to prepare this law has been completed.

- ***National Innovation Council and Innovation Fund established and fully operational - June 2025 - EC assessment pending:***

The Reform Agenda envisions establishing a National Innovation Council and an Innovation Fund to provide policy and financial support to entrepreneurs. These two institutions can be initiated only after the adoption of the Law on Innovation and Entrepreneurship. Worryingly, unlike the Agency of Investments and Exports, there is no budgetary allocation for the Council and the Fund in the 2026 budget. The newly elected Assembly needs to pass a law to initiate the procedures for establishing these two institutions. The establishment of the Fund also depends on a prior financial assessment to be conducted by the government. They need clear internal regulations and open, public calls for support.

