



Assessment
on the State of the
Enabling Environment
and Capacities of
Civil Society
against the Guidelines
for EU support to Civil
Society in Enlargement
Region, 2014-2020
for the period
2018-2019

FINAL REPORT

**ANNEX 4.
BRIEF IPA BENEFICIARIES
OVERVIEW**

COUNTRY BRIEF: KOSOVO*

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The legal framework on freedom of association in Kosovo is in line with the international standards and practices on an enabling environment. In 2019, the Law on Freedom of Association on NGOs was amended to further accommodate practices for exercising the right to freedom of association. The basic legislation for the establishment and operation of CSOs is in place and has advanced. Nevertheless, based on past experience, civil society and other stakeholders are closely following and **participating** in working groups on drafting the secondary legislation on freedom of association as to safeguard the sector from any restrictive provisions that can be pushed beyond primary legislation framework. In practice, the legislation regulating the freedom of association is **moderately implemented**. Most CSOs do not experience difficulties in registering an organization.

With regards to the freedom of assembly, there were not recent changes in the legislation. In 2019, the Ministry of Internal Affairs initiated the process of **drafting the Law on Public Gatherings**. There are still some ambiguous and restrictive provisions regarding freedom of assembly, however most CSOs which organized public gathering **did not experience problems** and difficulties in exercise of their right.

In the freedom of expression, the legislation remained unchanged in the past two years. The freedom of expression is a subject of number of laws and provisions that regulate different aspects such as defamation, access to public data, protection of personal data etc.. CSO representatives, including those from human rights and watchdog organizations, generally **enjoy the right to freedom of expression**. On the other hand, there are cases when CSOs felt pressured as a result of their criticisms towards public authorities.

The policies and legal environment do not specifically stimulate and facilitate volunteering and employment in the sector. There is no specific legislation on volunteering except the Law 03/L-145 on Youth Empowerment and Participation that regulates the **volunteering of youth**. In 2016, this Law was updated with the new Administrative Instruction on youth voluntary work that **simplified** the process of volunteer registration by establishing the platform and database of volunteers. Based on the data generated by the same database, the total number of volunteers registered is 5.104 out of which 4.437 are reported active. In 2019, the Office of Prime Minister/ Office of Good Governance (OGG) and the Ministry of Labour and Social Welfare commenced the initiatives to properly regulate the respective policies on volunteering. With regards to the **labour regulations** the legislation applies for all employers including those in CSOs. Data from the Tax Administration of Kosovo show that in 2017, 8.453 persons are employed in 816 CSOs. **Grassroots organizations** are considered smaller organizations, based in certain localities, which work with community and manage small amounts of funds. However, this definition is **limiting and challenging** and is causing many practical issues for grant-giving organizations. Donors, in general, are reluctant on working with or supporting non-registered organizations, which makes access to funding difficult for the grassroots.

The financial environment for the sector in Kosovo notes **improvements in public financing** and challenges in implementation of tax deduction procedures. Nearly half of CSOs operate with no funding, and a large number of CSOs operate with less than 10.000 EUR per year. There is a declining trend of CSO funding in all respects, with the exception of public funds. **Foreign donors** continue to be the **main source** of funding for CSOs, though with a noticeable decline. On the other hand, CSO funding from **public funds has increased**, as well as the number of organizations that have received funds from public institutions. More specifically, foreign donors allocate their

* This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.

funds to a smaller group of organizations (22.8%) compared to two years ago (38.6%), while the opposite trend stands for public funds, where more organizations received public funds in 2017 (33.6%) than in 2015 (27.7%).

Although there is an increase in institutional support for CSOs, support for **short-term projects and small amounts is dominant**. CSOs in Kosovo do not have **adequate financial reporting systems**, thus leading to challenges and ambiguities on understanding and delivering tax forms and making it nearly impossible to obtain accurate information on the multiple financial and tax categories within the sector.¹ On the other hand, CSOs subject of very regular **financial audits**. The Law on Corporate Income Tax **provide tax deductions** for corporate donations of their taxable income. The Law on Freedom of Association allows for tax and fiscal benefits for Public Benefit Organizations (PBOs), but such benefits are ambiguous in the tax legislation and are not harmonized with the Public Benefit chapter of the Law on Freedom of Association. Both the legislation on tax exemption and the administrative procedures to obtain them are considered troublesome and ambiguous to CSOs. Public officials, businesses and CSOs are not aware of such exemptions. As a result, many CSO do not know how to proceed with their use in practice. With regards to **CSOs economic and income-generation activities**, there are ambiguities in the legal framework, in particular on the economic activities of CSOs that do not have the PBO status. The implementation of the Regulation on criteria, standards and procedures on public funding for CSOs is lagging, marked with minor improvements in reporting the lists of beneficiaries for 2018. There is still a need for systematic transparency in the disbursement of public funds to CSOs. There are still many cases where public institutions provide funds for CSOs, while disregarding provision and procedures deriving from the Regulation at all levels of governance.

The Regulation on Minimum Standards for the public consultations process has **advanced** the legal framework for public participation, while its implementation remains a serious challenge for public institutions. Utilization of the **Online Platform for public consultations** has almost become the norm for public institutions at the central level, while other provisions of the Regulation are implemented only partially. On the other hand, majority of CSOs in Kosovo either do not know of the existence of Minimum Standards and the Online Platform or lack adequate capacities to contribute to the policy process. In December 2018, the Ministry of Local Governance Administration adopted the **Regulation on Minimum Standards on Public Consultation at the local level**. While the initiative indicates a positive sign, legal provision presented in the Regulation lack many of the necessary elements for effective implementation. Even though the Regulation does not define specific standards, the deadlines or implementation mechanisms, it does sets main principles upon which further implementation mechanisms could be developed. The **Governmental Strategy for Cooperation with Civil Society** focuses on civil servants' capacities and implementation mechanisms of the Regulation on Minimum Standards for Public Consultation and the Regulation on Public Funding for NGOs, while aiming at building a system that enables CSOs to provide public services, building a co-financing scheme for EU funds for CSOs, defining the usage of public property for public benefit purposes, etc.. The entire strategic objectives and activities are built on the results of the previous Strategy, which, although limited, **provides a solid base** for further investment by the Government and contribution by civil society and other stakeholders. Nevertheless, the **Government lacks adequate human resources and financial allocations** for the implementation of the Strategy while relying mostly on technical assistance provided by international donors. On the other hand, **CSOs are not active in this process**, either by pressuring the Government to push for the implementation of the Strategy of contributing to its implementation directly.

¹ KCSF (2018). Index Kosovar civil society, 2018. [pdf]. Available at: <https://www.kcsfoundation.org/wp-content/uploads/2018/12/Kosovar-Civil-Society-Index-2018.pdf> [14.02.2020]

The **data on capacity of the CSOs** speak to the increased impact of the civil society in the area of democracy, rule of law, fight against corruption, gender equality and education. Yet, generally speaking, CSOs in Kosovo still **lack a link to constituency** and their legitimacy of representation is frequently questioned². Also, very few CSOs are capable of engaging in more complex public issues or policies, indicating that a good majority of CSOs **lack specialized expertise in fields** in which they work or do not have adequate financial and/or human capacities. Official data on registered CSOs continue to be non-systematic. According to the Public NGO Register, there are 9,545 registered organizations with an approximately 1,000 CSO being active. About 95% of CSOs are registered as associations, most of which have very few members. The rest of CSOs are registered as foundations. Data from the Kosovo Civil Society Index shows that nearly half of CSOs in Kosovo operate without funding (46%), while 23% of CSOs operate with less than 10,000 EUR per year³. With regards to the internal governance standards, although with minimal legal requirements, a significant part of CSOs in Kosovo **do not to properly implement** internal governance provisions. This is either due to the lack of knowledge, their understanding or because CSOs do not consider these standards necessary for their operations. Also, data shows that existence of documents for internal regulation of CSOs is related to the size and capabilities of the organization. Specifically, the majority of large and consolidated CSOs have developed documents for internal governance, including internal rules of procedure, financial regulation, etc., while smaller CSOs or CSOs operating with small or no funds, barely fulfil the basic internal governance requirements.

With regards to communication of the programmes and activities of CSOs, **social networks** are an important asset for communication for CSOs, as they enable a greater reach and easy access to public communication, while also being low cost and accessible to all. Despite this, a large number of **CSOs do not have websites** or any other social media account.

The data on transparency and accountability of CSOs show a slight decline in citizen confidence in civil society. The larger organizations undergo regular financial audits.⁴ In addition, most CSOs noticed an increase in publishing annual reports, financial reports and financial audits.

CSOs in general do not utilize monitoring and evaluation systems for programmes and projects they implement. Nevertheless, CSOs show that they are well aware of the importance of having a M&E processes in place. They do **employ basic instruments** to assess their activities' impact, such as number of participants on their events, social media feedback etc..

With regards to the strategic approach, most CSOs plan their work on short time. Those that have strategic documents mostly orient their work towards donor funding priorities. Still, this issue remains in its early phases of being addressed. Grassroot organizations report of having clear strategies for the next 3–5 years of their work and are based on real links with their constituencies.

Although active in **advocacy activities**, CSOs are less active in advocacy activities pertaining to policy-making processes. CSOs reported using data in their daily activities by conducting **specific research** in order to support their arguments when participating in decision-making process, but this is still not the case with majority of CSOs. Nevertheless, CSOs reported that public institutions do not pay much attention on the evidence-based approach in policy processes. The role of civic engagement in policy and decision-making has been strengthened over the years with many organizations operating mostly at the central level and by developing their **expertise for engagement in the policy process**. Watchdog activities and monitoring of public institutions

² Population Survey, September 2019; KCSF (2018). Index Kosovar civil society, 2018. [pdf]. Available at: <https://www.kcsfoundation.org/wp-content/uploads/2018/12/Kosovar-Civil-Society-Index-2018.pdf> [14.02.2020]

³ <https://www.kcsfoundation.org/wp-content/uploads/2018/12/Kosovar-Civil-Society-Index-2018.pdf>

⁴ Ibid

are also areas within policy cycle where CSOs effectively contribute to accountability demands on behalf of citizens. Similarly, advocacy and issue raising for the **rights of marginalized groups** in society has been almost solely the provenance of civil society with major gains achieved over the years with regards to services and legislation for the rights of women, survivors of sexual violence, people with disability, minority rights, and LGBTI rights. With regards to the networking, about half of CSOs in Kosovo are members of at least one (1) network, umbrella group or federation, while there are also ad-hoc and cause based networks/initiatives. Still, about half report not being members of any network. There is a lack of a **structured networking** among organizations, without pre-set objectives and areas of intervention. Cooperation usually takes place between organizations working in the same area and on the level of information sharing on their activities, without advancing further their level of commitment to joint work.

Similarly, as in strategic programme orientation, CSOs do not engage in strategic fundraising. In this regard CSOs align their project proposals to **donors funding objectives** rather than to needs assessment of the target groups that they tend to represent. There is a declining trend of CSO funding in all respects, with the exception of public funds. Foreign donors continue to be the main source of funding for CSOs in Kosovo, though with a noticeable decline compared to data from 2015. Additionally, it is perceived that there are **no diverse funding sources** with the international donors mainly prevailing in the sector. Other funding sources remain relatively low.

CSOs in Kosovo represent a diversity of organizational types, while showing **broad differences** in terms of their capacities due to their stage of organizational development, resources and organizational maturity. While CSOs think that **alternative ways of organizational capacity building** should be considered and utilized, they highly value trainings provided by local resources centres, i.e. either those who do so for their grantees, or for the whole sector. General trainings are especially important for smaller and new CSOs, as well as informal initiatives. Main capacity building needs for CSOs in Kosovo fall into three categories: 1) **Internal governance**, including internal organization and management of a CSO, networking, visibility, and ties to constituency; 2) **Impact Assessment and fundraising**; and 3) **Gender mainstreaming**.

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