



# USAID

NGA POPULLI AMERIKAN  
OD AMERIČKOG NARODA

# KOSOVO

**Business Enabling Environment Program (BEEP)**

## Program Overview

May 2011



## Kosovo Fact Sheet

- **Population:** approx. 2.1 million people (July 2009 est.)
- **Population in Diaspora:** 400,000 - 500,000 people living abroad.
- **Religion:** Predominately Muslim. Also Serbian Orthodox and Roman Catholic.
- **Ethnicity:** Kosovo Albanian 88%, Kosovo Serb 8%, Other 4%
- **Languages:** Albanian, Serbian, Bosnian, Turkish, Roma, English





## Kosovo Fact Sheet

- The European Union Rule of Law Mission in Kosovo (EULEX) is the largest civilian mission ever launched under the Common Security and Defence Policy. The central aim is to assist and support the Kosovo authorities in the rule of law area, specifically in the police, judiciary and customs areas. It is a technical mission which will monitor, mentor and advise whilst retaining a number of limited executive powers.
- The International Civilian Office (ICO) was established to ensure full implementation of Kosovo's status settlement and support Kosovo's European integration. The Head of ICO, also serves as the European Union Special Representative for Kosovo.



## About BEEP

- The US Agency for International Development (USAID) established the Business Enabling Environment Program (BEEP) at the **end of July 2010**.
- The project has a budget of approximately 16 million US dollars and is programmed to run for 3 years. BEEP is based in Pristina, being spread through its Municipal Coordinators in 8 municipalities of Kosovo, to begin.
- The purpose of BEEP is to maximize economic growth and prosperity requiring individual entrepreneurship in a clear, minimally-intrusive legal framework.
- Working in concert with government, private sector and donor partners, BEEP promotes free market reforms to remove barriers to business creation and operation, unleashing the individual from unnecessary government restraints on economic potential.



## About BEEP

<b>A Business Enabling Environment</b>			
<b>Improved Rules and Regulations</b>	<b>Reduced Barriers to Trade</b>	<b>Reduced Risks of Lending</b>	<b>Local Government Tenders Improved</b>
<ul style="list-style-type: none"> <li>• Municipal Business Index Development</li> <li>• World Bank Doing Business Improvements</li> <li>• Inspections, Licensing and Permitting Reform</li> <li>• Municipal Process Streamlining</li> <li>• Private Sector &amp; Government Partner Development</li> <li>• Increased Public-Private Dialogue</li> <li>• Educational Support</li> </ul>	<ul style="list-style-type: none"> <li>• Trade Policy Development</li> <li>• World Bank Doing Business Improvements</li> <li>• Customs and Trade Institutional Reform</li> <li>• Reduced Barriers to Transit</li> <li>• WTO Harmonization</li> <li>• Increased Access to Trade Information</li> <li>• Increased Public-Private Dialogue</li> <li>• Educational Support</li> </ul>	<ul style="list-style-type: none"> <li>• Increased Quantity and Quality of Credit Information</li> <li>• World Bank Doing Business Improvements</li> <li>• Credit Bureau Institutional Development</li> <li>• Barriers to Private Credit Bureaus Reduced</li> <li>• Educational Support</li> </ul>	<ul style="list-style-type: none"> <li>• Increased Transparency for Municipal Tenders</li> <li>• Reduced Barriers for SME Participation in Tenders</li> <li>• Improved Tender Execution</li> <li>• Increased Efficiency in Local Government Procurement</li> <li>• Educational Support</li> </ul>

## **Business Enabling Environment Program (BEEP)**



## About BEEP

### **Task 1. Improved Rules and Regulations**

Improving the existing commercial law framework to provide a stable, clear, minimally-intrusive legal operating environment for business

### **Task 2. Reduced Barriers to Trade**

Reducing trade barriers through improved trade policies, access to information, and capacity building

### **Task 3. Reduced Risks of Lending in the Financial Sector**

Increasing the amount and quality of information available in the credit registry to improve lending decisions and reduce credit risk and borrowing costs

### **Task 4. Improved Transparency for Local Government Tenders**

Implementing sound government procurement practices to increase business accessibility and tender efficiency



## Task 3 – Reduced Risks of Lending

- Increase access to finance and enable Kosovo lenders make decisions based on more information available to them when assessing credit risk
- Upgrade the credit registry by enhancing the registry's data, increasing its accuracy, and expanding its system to allow access by new users and provide better information to support the Central Bank's financial sector oversight
- Research needs of traditional users—e.g., commercial banks and microfinance institutions—and non traditional users—e.g., insurance companies, utility companies, courts, tax administration, etc.
- Assist the Central Bank completing the World Bank credit information index survey for 2012
- Identify and eliminate barriers to the development of private credit bureaus



## First Year Activities in the Finance Sector

- Resident expat and local advisors in Central Bank of the Republic of Kosovo (CBK)
- Coordinating with stakeholders including CBK, Ministry of Finance, banks, microfinance institutions, non-bank financial institutions, Kosovo Bankers Association, Association of Microfinance Institutions of Kosovo, insurance companies, Kosovo Insurance Association, Courts, Tax Administration, KEK, PTK, EU, World Bank, USAID, donors, projects.
- Workshop on Credit Registry
- Technical specifications for Credit Registry upgrade, new data fields, user requirements, additional users.
- Recommendations for legal, policy and procedural improvements to support Credit Registry, reduce risk, improve access to finance, including CBK instructions/rules.
- Improve borrowers' awareness and access to credit reports, as well as complaint and resolution mechanisms.
- Recommendations and drafting of provisions for new Law on Banks, Microfinance Institutions and Non-Bank Financial Institutions.