# ENHANCING KOSOVO'S EUROPEAN INTEGRATION PROCESS: an institutional approach

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### ENHANCING KOSOVO'S EUROPEAN INTEGRATION PROCESS: AN INSTITUTIONAL APPROACH

#### Executive non-technical summary

Kosovo remains a potential candidate country for membership in the European Union (EU), being one of the last two countries in the Western Balkan region holding this status. Kosovo's institutional basis towards EU integration has traditionally fallen within the Ministry of European Integration (MEI), which was established in 2010. However, persistent stagnation over the past few years, mostly appreciated through a perceived lack of tangible benefits for citizens, has put the MEI to the test. Upon the inauguration of AvdullahHoti as prime minister in mid-2020, Kosovo has seen the withdrawal of the MEI from its ministerial structure and its replacement by an alternative institutional design. Now, the country lacks a ministerial framework upon which to build its current and future European integration strategies. What are the real implications of the newly-established institutional arrangement? Drawing from a close examination of the defunct MEI, this Policy Analysis will delve into these matters and will provide a comprehensive account on the perks and weaknesses of Kosovo's new European integration machinery.

#### I. INTRODUCTION

Today, Kosovo holds the status of potential candidate country for membership in the European Union (EU). It is the only country in the so-called Western Balkans Six (WB6) group<sup>1</sup>, alongside Bosnia and Herzegovina, that has not yet obtained official candidate status, and the country whose technical progress towards accession has been the poorest. Over the past years, and more importantly since its independence in 2008, Kosovo's challenges and priorities regarding its European Integration Process (EIP) have evolved, while the stakes surrounding the country's European prospects have increased. Torn between the institutional endeavours of building Europe's youngest state, and the struggle for full recognition in international fora, Kosovo's EIP presents itself as a key strategy towards steady prosperity and stability.

Kosovo's institutional framework of operation towards full EU integration has traditionally fallen within the duties and activities of the Ministry of European Integration (MEI), established in 2010. Envisaged halfway between a coordinating body and a policy-making entity, the MEI's actions allowed for Kosovo to make substantive progress in its alignment with EU standards, as well as to lead the harmonization of reforms across ministries. However, the enduring stagnation over the past few years, mostly appreciated through a perceived lack of tangible benefits for citizens, has put the MEI to the test. A turning point in 2020 has precisely been, upon the inauguration in June of AvdullahHoti as prime minister, the withdrawal of the MEI from the ministerial structure—and its replacement by an alternative arrangement. In a context where the EU is calling for urgent reforms, Kosovo now lacks a ministerial basis upon which to build its current and future integration strategies.

In order to make sense of Kosovo's current EIP structure and critically explore the prospects ahead, this Policy Analysis is articulated along three blocks of content. The first block delves into the creation and demise of Kosovo's MEI, departing from its official

<sup>&</sup>lt;sup>1</sup> The WB6 are Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia and Serbia.

establishment in 2010 until its removal and its arguably unclear institutional replacement in 2020. This block critically dissects the MEI's changing organizational structure throughout the years, its normative framework, its functions, and the rationale that has pushed it to become a rejected ministry in incumbent Hoti's cabinet. By taking these transformations into account, the paper's second block goes on to explore Kosovo's current EIP structure, as per the most recent government Regulation. Furthermore, it identifies the challenges that this new structure will have to endure and overcome in order to meet the required conditions for accession, arguing whether preserving the status quo is the most effective approach to palpable success. Finally, the third and last block maps out a set of policy recommendations for a more enhanced and result-oriented EIP.

#### II. THE RISE AND FALL OF KOSOVO'S MINISTRY OF EUROPEAN INTEGRATION

#### *i. History, powers and objectives*

The first entity established in independent Kosovo that was endowed with the responsibilities of directing the country's EIP was the Agency for Coordination of Development and European Integration (ACDEI). The ACDEI was created in 2009 as an Executive Agency attached to the Office of the Prime Minister (OPM), and its duties included the coordination between the actions of the government, the work of the EIP offices in ministries and municipalities, and the roles of other public institutions "in order to facilitate in the alignment of practices and legislative activities [...] and support on implementation of their obligations deriving from the EIP"<sup>2</sup>. Envisaged as a coordination body, the ACDEI took over the responsibilities previously held by the Agency for European Integration (AFEI) established in 2006 under the administration of the United Nations Mission in Kosovo (UNMIK).<sup>3</sup> Both the civil service staff and the budget allocated to the AfEI were thus transferred to the ACDEI upon its creation.<sup>4</sup>

In 2010, the MEI was ultimately established and merged with the ACDEI, which ceased to exist.<sup>5</sup> With this, Kosovo was following in the footsteps of neighbouring Albania through the creation of a ministry that would deal specifically with EIP-related matters.<sup>6</sup> The MEI's responsibilities were swiftly laid out in Government Decision 6/121 of 2010, which included "coordinating the work and monitoring the activities of the institutions of the government within the [EU] Stabilization and Association Process (SAP) [...], analysing the progress in the process of compliance of national legislation with that of the EU [...], preparing and signing the EU financial assistance agreements on behalf of Kosovo,

2009 per Agiencine per Koordinimin e Zhvillimit dhe Integrimit Evropian.pdf

2009 per Agiencine per Koordinimin e Zhvillimit dhe Integrimit Evropian.pdf

<sup>&</sup>lt;sup>2</sup> Art. 2, Regulation No. 03/2009 establishing Agency for Coordination of Development and European Integration. Government of the Republic of Kosovo. Available at: <u>https://kryeministri-ks.net/wp-content/uploads/docs/Rregullore\_nr.03-</u>

<sup>&</sup>lt;sup>3</sup> Section 2, Administrative Direction No. 2006/06 dated 15.05.2006 implementing UNMIK Regulation No. 2001/19 on the executive branch of the provisional institutions of self-government. UNMIK. Available at: <a href="https://unmik.unmissions.org/sites/default/files/regulations/02english/E2006ads/ADE2006\_06.pdf">https://unmik.unmissions.org/sites/default/files/regulations/02english/E2006ads/ADE2006\_06.pdf</a>

<sup>&</sup>lt;sup>4</sup> Art. 5, Regulation No. 03/2009 establishing Agency for Coordination of Development and European Integration. Government of the Republic of Kosovo. Available at: <u>https://kryeministri-ks.net/wp-content/uploads/docs/Rregullore\_nr.03-</u>

<sup>&</sup>lt;sup>5</sup> Decision No. 2/118 dated 02.04.2010. Government of the Republic of Kosovo. Available at: <u>http://kryeministri-ks.net/wp-content/uploads/docs/Vendimet e\_Mbledhjes se 118-te te Qeverise 2010.pdf</u> <sup>6</sup> Albania's Ministry for Euro-Atlantic Integration was established in 2002 and was renamed several times. In 2017 it was dissolved and merged with the Ministry of Foreign Affairs.

evaluating the compatibility of national legislation with EU law, and promoting policies and activities in order to accelerate the integration of Kosovo into the EU".<sup>7</sup>

Over ten years after its establishment, the legal basis upon which the MEI builds its areas of administrative responsibility is Government Regulation No. 05/2020<sup>8</sup>. As the latest act where all responsibilities specific to the MEI are detailed, this Regulation set out the MEI's reach and was to a very large extent inspired by the provisions comprised in Decision 6/121<sup>9</sup> (see Table 1), indicating that the normative basis underlying the MEI's duties and responsibilities has not changed much since its inception in 2010.

<sup>&</sup>lt;sup>7</sup> Decision No. 6/121 dated 22.04.2010. Government of the Republic of Kosovo. Available at: <u>https://kryeministri-ks.net/wp-content/uploads/docs/Vendimet\_e\_Mbledhjes\_se\_121-te\_te\_Qeverise\_2010.pdf</u>

<sup>&</sup>lt;sup>8</sup> This Regulation was abolished in August 2020 upon the entry into force of Regulation 06/2020.

<sup>&</sup>lt;sup>9</sup> Regulation No. 05/2020 dated 21.02.2020 on the areas of administrative responsibility of the Office of the Prime Minister and Ministries. Government of the Republic of Kosovo. Available at: <u>https://kryeministri-ks.net/wp-content/uploads/2020/02/Rreguliore-Nr.-05\_2020-p%C3%ABr-Fushate-</u>

P%C3%ABrgjegj%C3%ABsis%C3%AB-Administrative-t%C3%AB-Zyr%C3%ABs-s%C3%AB-Kryeministrit-dhe-Ministrive.pdf

#### Table 1. Comparison between the MEI's powers as per Decision No. 6/121 (2010) and Regulation No. 05/2020 (2020)

Provisions contained in the act		Regulation
		No. 05/2020
Leading and coordinating the work and activities of the government and other institutions and their engagements	Present	Present
within the SAP.		
Leading and coordinating the setting of priorities for implementing reforms, criteria and obligations deriving from	Present	Present
the EIP, in close cooperation with other institutions		
Leading, coordinating and reporting on the implementation of obligations of Kosovo deriving from the EIP.	Present	Present
Leading and coordinating the drafting of strategic and working documents in the EIP, and ensuring these	Present	Present
documents are in line with other strategic documents of the government.		
Leading, coordinating and monitoring the fulfilment of obligations within the visa liberalization process.	Not present	Present
Supporting, leading and ensuring the approximation of relevant sectorial strategic and working documents with EU	Not present	Present
policies.		
Requesting from line ministries and other public institutions to prepare and submit EIP-relevant documents within	Present	Present
the deadlines set.		
Promoting policies and activities in order to accelerate Kosovo's EIP, in close cooperation with local and	Present	Present
international institutions.		
Coordinating and monitoring the process of approximation of local legislation with EU legislation.	Present	Present
Assessing the compliance of local legislation with EU Law.	Present	Present
Coordinating the translation of EU legislation concerning the approximation of local legislation with EU legislation.	Present	Present
Assessing and coordinating the relevant mechanisms for coordination with donors.	Present	Present
Coordinating and monitoring the alignment of foreign aid with Kosovo's EIP.	Present	Present

Coordinating the work of offices responsible for the EIP in ministries and other institutions, and providing	Present	Present
assistance in preparing the programmes for financial support from the EU.		
Coordinating the process of reaching international agreements in the field of EU financial assistances for Kosovo.	Present	Present
Leading, coordinating and monitoring the EU financial assistance programmes for Kosovo.	Present	Present
Preparing and coordinating the process for building the institutional capacities for the EIP, in close cooperation with	Present	Present
other public institutions.		
Coordinating and drafting the implementation of the programme for informing the public on EIP issues.	Present	Present
Performing other duties assigned to the MEI according to the relevant legislation in force.	Present	Present

The comparison between the oldest and the most recent act hardly shows any broadening of the MEI's responsibilities after a decade. The provisions found in Regulation No. 05/2020 draw majorly from Decision No. 6/121, save two provisions that are not included in the latter: first, a mention to the MEI's role in "leading and monitoring the fulfilment of obligations within the visa liberalization process", and second, its responsibility in "supporting, leading and ensuring the approximation of relevant sectorial strategic and working documents with EU policies".<sup>10</sup> All its duties considered, the MEI enjoys many coordinating powers and some policy-making responsibilities, such as deciding on development assistance, determining the financing priorities in support of Kosovo's contractual relationships with the EU, and preparing proposals for financial agreements with the EU. The MEI's role, in all, can be partially understood as that of a cross-cutting mechanism of inter-institutional oversight over government and other public stakeholders.

The MEI has well-defined objectives that are directly related to Kosovo's EIP progress. It is the MEI's full responsibility to hold the coordinating mandate of the EIP within the Government of Kosovo, on behalf of which it can enter into contractual relationships and agreements as an intrinsic part of the EIP. Since 2010, thus, the MEI has been responsible of heading Kosovo's diplomatic relations with the EU. One of the milestones reached in the framework of the MEI's responsibilities was the start of negotiations between Kosovo and the EU towards the signing of the Stabilisation and Association Agreement (SAA). The launching of preparatory talks was conditional on Kosovo's fulfilment of thirteen benchmarks within the areas of rule of law, public administration, protection of minorities and trade, which the country duly delivered on.<sup>11</sup> Accordingly, these negotiations initiated in the end of 2013 and were led by Kosovo's Minister for European Integration. The SAA, as the first legal arrangement between Kosovo and the EU, was finally signed in 2015and it entered into force in 2016.<sup>12</sup>

#### ii. Organizational structure and budget

As a direct successor of the ACDEI, the MEI adopted an organizational structure largely based upon that of the former Agency. The MEI's internal configuration (see Figure 2) abides by Government Regulation No. 32/2012, later amended and supplemented by Regulations 27/2013 and 08/2019<sup>13</sup>. As per these acts, the Cabinet of the Minister is the overarching unit representing the MEI—though not a part of its hierarchical structure *per* se—and it is composed of the Minister, Deputy Ministers, political advisers and support staff.<sup>14</sup> It is succeeded by the Office of the Secretary General, the highest civil servant of the ministry, in charge of coordinating the administrative activity of the ministerial system.

<sup>&</sup>lt;sup>10</sup> Regulation No. 05/2020 dated 21.02.2020 on the areas of administrative responsibility of the Office of the Prime Minister and Ministries. Government of the Republic of Kosovo. Available at: <u>https://kryeministriks.net/wp-content/uploads/2020/02/Rregullore-Nr.-05\_2020-p%C3%ABr-Fushat-e-</u> <u>P%C3%ABrgjegj%C3%ABsis%C3%AB-Administrative-t%C3%AB-Zyr%C3%ABs-s%C3%AB-Kryeministrit-dhe-Ministrive.pdf</u>

<sup>&</sup>lt;sup>11</sup> Hamilton, A. and Merja, A., 2013. Readying Kosovo for SAA Negotiations: A blueprint of achievements, slow reforms and the path ahead. *GLPS Policy Analysis*, 2. Prishtina: Group for Legal and Political Studies.

<sup>&</sup>lt;sup>12</sup> 2015. Stabilisation and Association Agreement (SAA) between the European Union and Kosovo signed. *Council of the European Union*, [online] 27 October. Available at: <u>https://www.consilium.europa.eu/en/press/pressreleases/2015/10/27/kosovo-eu-stabilisation-association-agreement/</u> [Accessed 26 October 2020].

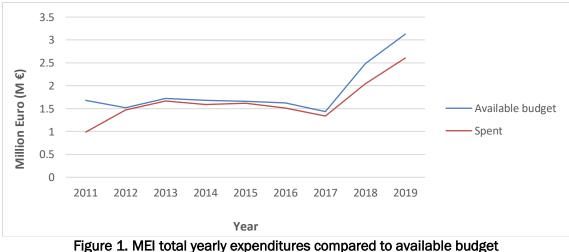
<sup>&</sup>lt;sup>13</sup> This Regulation has not been implemented.

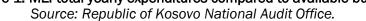
<sup>&</sup>lt;sup>14</sup> Regulation No. 32/2012 dated 24.12.2012 on internal organization and systematization of jobs in Ministry of European Integration. Government of the Republic of Kosovo. Available at: <u>https://gzk.rks-gov.net/ActDetail.aspx?ActID=10311</u>

Reporting directly to the Office of the Secretary General are the Departments, seven overall, with well-defined functions distributed along seven thematic areas of responsibility. These areas are further broken down through department Divisions, ranging from two to four depending on the complexity of the area. Four additional Divisions can be found above departmental level, out of which three report to the Office of the Secretary General and one, the Division of Internal Audit, reports to the Cabinet of the Minister.

Besides its internal organization, the MEI is further articulated externally along an inter-ministerial mechanism that helps lead and coordinate the overall EIP progress. Each ministry, except for the MEI itself, contains a Department for European Integration and Policy Coordination (DEIPC) which works under the supervision of the respective ministry's Secretary General. In tight cooperation with the MEI, the DEIPCs are tasked with the coordination of the EIP and the process of strategic planning and policy development, ensuring the coherence between policies, reforms and strategies with EU standards.<sup>15</sup>

As Kosovo's EIP-related priorities have changed throughout the years, so has the MEI's structure and so has its human capital. In order to meet the ever-growing demands and adapt to the new standards and benchmarks, the MEI has undergone a certain level of restructuring and seen its staff numbers grow. Certain units, such as the department of political criteria, the department of EU Law and the Office of the Secretary General, saw new divisions added under their thematic umbrellas. The inauguration of these administrative units accordingly envisaged the recruitment of new civil staff, which was expected to rise from 79 in 2012 to 106 in 2019.<sup>16</sup>





Parallel to an increase in human workforce, the MEI saw substantive growth—particularly in recent years—also of a budgetary sort. Since 2011, when the MEI underwent its first audit, until 2019, its overall yearly budget had almost doubled from €1,682,000 <sup>17</sup> to

<sup>&</sup>lt;sup>15</sup> Regulation No. 01/2011 dated 18.03.2011 on Departments for European Integration and Policy Coordination in the ministries. Government of the Republic of Kosovo. Available at: <u>https://gzk.rks-gov.net/ActDetail.aspx?ActID=10532&langid=1</u>

<sup>&</sup>lt;sup>16</sup> Art. 2, Regulation No. 08/2019 dated 17.06.2019 on amending and supplementing the Regulation (GRK) No. 32/2012 on internal organization and systematisation of jobs in the Ministry of European Integration, as amended and supplemented by the Regulation (GRK) No. 27/2013. Available at: <u>https://gzk.rks-gov.net/ActDetail.aspx?ActID=20078</u>

<sup>&</sup>lt;sup>17</sup> Republic of Kosovo Office of the Auditor General, 2012. *Audit Report on the Annual Financial Statements of the Ministry of European Integration for the Year Ended 31 December 2011.* Prishtina. Available at: <a href="http://www.zka-rks.org/wp-content/uploads/2017/06/RaportiAuditimit.MIE.2011.Eng.648096.pdf">http://www.zka-rks.org/wp-content/uploads/2017/06/RaportiAuditimit.MIE.2011.Eng.648096.pdf</a>

€3,127,649<sup>18</sup>. The year 2018 was a turning point for the MEI's allocations, when it saw a €1 million increment. However, problems and weaknesses in the control and execution of the budget had reportedly been dragging on throughout the years, alongside an increase of unpaid liabilities. This has added to the MEI's poor performance in regard to employing the entire available budget.

Budget spending has repeatedly fallen very short of reaching a satisfactory level (see Figure 1). This was particularly the case in 2011, when over €0.5 million, or 42 percent of the available budget, remained unspent. Performance was likewise rather poor in 2018 and 2019, when only 82 and 83 percent of the budget, respectively, was accounted for as spent. While the highest rate of successful expenditures was usually found in salaries or subsidies, other disbursements such as goods and services—which regularly include international consulting services, travel expenses and contracting services—failed to meet the expected spending levels.

<sup>&</sup>lt;sup>18</sup> Republic of Kosovo National Audit Office, 2020. *Audit Report on the Annual Financial Statements of the Ministry of European Integration for the Year 2019.* Prishtina. Available at: <u>http://www.zka-rks.org/wp-content/uploads/2020/07/Raporti-i-audtimit-MIE-2019-Eng.pdf</u>

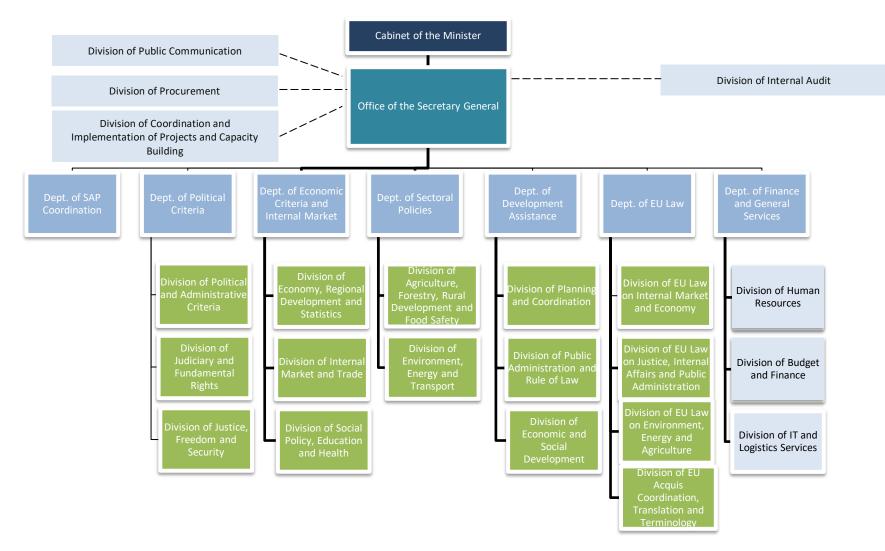


Figure 2. Organizational structure of the MEI

#### iii. The survival of the MEI in the framework of Kosovo's ministry problem

In regional terms, Kosovo has traditionally been one of the countries with the highest number of ministries and affiliated posts. As a responsibility held by the government itself, regulated through internal acts, establishing the number of members in a cabinet has commonly gone beyond the principles of pragmatism and effectiveness. The only relevant regulatory clause is enshrined in Kosovo's Constitution, whereby at least one ministry must be assigned to representatives of the Kosovo Serb community, and at least one must be assigned to other non-majority community. Should the overall number of ministries exceed twelve, a third ministry must be assigned to one of Kosovo's non-majority communities.<sup>19</sup>

Currently there is no law in place that regulates the number of ministries, deputy ministers or deputy prime ministers. Because of this, it has not been rare for Kosovo's successive coalition governments to engage in the creation of new political positions and institutional strata in order to accommodate the loyal and the akin, so as to satisfy the promises made to all coalition partners.<sup>20</sup> Some of the most immediate consequences emerging from these practices are, understandably, low levels of efficiency and a poor degree of accountability. The excessive size of many of the ministries, in most cases blatantly overstaffed, has often led to institutional overlapping, discoordination, unnecessary expenditures, and an overall failure to effectively implement policies.

The absence of a Law on Government has allowed for previous administrations to comfortably satisfy their clientelist ties, reaching 20 ministries in the Thaçi II (2011-2014) cabinet, and 21 in both the Mustafa (2014-2017) and Haradinaj II (2017-2019) cabinets.

A brand-new government was inaugurated in Kosovo on the 3<sup>rd</sup> of February 2020. led by incoming Prime Minister Albin Kurti and his party Vetëvendosje (VV) in coalition with the Democratic League of Kosovo (LDK). As part of both parties' electoral priorities, VV and LDK had campaigned in favour of a considerable downsizing of the number of ministries in order to cut down on budgetary expenditures. While the original plan envisioned that the cabinet should not exceed 12 ministries, and that there should be a maximum of two deputy ministers per ministry, the emergence of disputes within the coalition forced both parties to set 15 ministries-and 33 deputy ministers—as the final number.<sup>21</sup> Kosovo's new government would accordingly undergo a noticeable shrinking, cutting down from the 21 ministries found in the Haradinaj II administration, which likewise counted on around 90 deputy ministers overall.<sup>22</sup> This was primarily done through the merging of two or more ministries with similar or overlapping areas of responsibility, or through the incorporation of one ministry into another's structure. The reorganization was carried out without the involvement of actors external to the government coalition, raising doubts about the transparency and openness of the process. In addition to this, it was unclear whether the reduction and restructuring of ministries had responded to the principles of efficiency and functionality, or whether a budget-saving logic had been the foremost motivation.

Within the newly-structured ministerial line-up, the MEI was left untouched and remained a ministry of its own. The uniqueness and independence of the MEI, however, had reportedly

<sup>21</sup>Fetahu, A. 2020. Choosing between too many and some ministries: implications of restructuring the Government of Kosovo and the rationale for reducing its organizational scope significantly. *GLPS Policy Note*, **1**. Prishtina.

<sup>22</sup>Spahiu, A. 2020. QeveriaKurti me 15 ministri, listaqëtregon se si u ristrukturuanato [Kurti's Government with 15 ministries, the list that shows how they were restructured]. *Telegrafi*, [online] 5 February. Available at: <a href="https://telegrafi.com/qeveria-kurti-15-ministria-lista-qe-tregon-se-si-u-ristrukturuan-ato/">https://telegrafi.com/qeveria-kurti-15-ministria-lista-qe-tregon-se-si-u-ristrukturuan-ato/</a> [Accessed 10 November 2020].

<sup>&</sup>lt;sup>19</sup> Art. 96, Constitution of the Republic of Kosovo. 2008. Art. 96.

<sup>&</sup>lt;sup>20</sup>Rexha, A. 2018. Structuring the Unstructured: How to reform the Government structure to comply with principles of efficiency and accountability? *GLPS Policy Analysis*, 7. Prishtina.

been a subject of discussion during the government coalition talks towards the end of 2019, some weeks before the coalition agreement between VV and LDK was signed. There were alleged signs that the MEI could be incorporated into the framework and scope of the Ministry of Foreign Affairs (MFA) as part of Kurti's ministerial overhaul.<sup>23</sup> However, this idea was finally discarded.

#### iv. The uncertain demise of the MEI under Hoti

As a result of the no-confidence vote that put an end to the Kurti administration in late March 2020, Kosovo's current government coalition is now led by incumbent Prime Minister AvdullahHoti, from LDK. The Hoti cabinet consists of 16 ministries, one more than its predecessor, and the distribution of offices among the five parties that form the coalition clearly reflects the variety of competing interests that had to be met and satisfied.<sup>24</sup> One of the first decisions made by the incumbent administration was not to include the MEI in its ministerial composition.<sup>25</sup> It was envisaged for the MEI to cease its activity as an independent ministry and to have its scope of responsibilities transferred into the OPM under Hoti's direct supervision, where it had been temporarily relocated.<sup>26</sup> This arrangement had been mapped out through the publication of a concept document that recommended the creation of the Agency for European Integration (AEI) within the OPM, through which a new framework of special control over Kosovo's EIP would be established.<sup>27</sup>

The concept document on the establishment of the AEI was developed as a way to bridge the institutional gap left by the removal of the MEI, whose internal structure had been transferred to the OPM but was still registered as an existing budgetary organization of its own. Upon the government's decision, Kosovo was now lacking a functioning coordination mechanism fit to fulfil the mandate and duties in relation to the country's EIP—which would inevitably lead to stagnation in the implementation of reforms. In line with the government's objectives, the articulation of a responsible institution with competencies over the coordination of Kosovo's EIP was of utmost importance and, hence, the foreseen establishment of the AEI was expected to fill this loophole. As per the concept document, the AEI would be politically headed by either Prime Minister Hoti himself or one of his deputies, and its monitoring and coordination functions would be defined by law. Just like the MEI, the AEI would be structured along a set of departments and would be directly managed by the OPM.

The concept document was, after all, approved in the month of August through a Government Decision.<sup>28</sup> This ruling, however, did not stand for long. The first week of October, barely two months after the concept document had been endorsed and the establishment of the AEI was approved, the government repealed this Decision.<sup>29</sup> The retraction did not go unnoticed,

 <sup>&</sup>lt;sup>23</sup>Bislimi, B. 2019. Bashkimiproblematikiministrive [Problematic merging of ministries]. *Radio Evropa e Lirë*, [online]
24 December. Available at: <u>https://www.evropaelire.org/a/30342728.html</u> [Accessed 10 November 2020].
<sup>24</sup>Sejdiu, M. and Agusholli, L. 2020. Hoti's first 100 days. Amidst COVID-19, economic recession and a deal with Serbia. *GLPS Policy Analysis*, 5. Prishtina.

<sup>&</sup>lt;sup>25</sup> Regulation No. 06/2020 dated 06.06.2020 on the areas of administrative responsibility of the Office of the Prime Minister and Ministries. Government of the Republic of Kosovo. Available at: <u>https://gzk.rks-gov.net/ActDetail.aspx?ActID=28172</u>

<sup>&</sup>lt;sup>26</sup> 2020. ShuhetMinistria e IntegrimitEvropian [The Ministry of European Integration is closing]. Gazeta Express, [online] 5 June. Available at: <u>https://www.gazetaexpress.com/shuhet-ministria-e-integrimit-evropian/</u> [Accessed 11 November 2020].

<sup>&</sup>lt;sup>27</sup> Office of the Prime Minister, 2020. Concept Document on the Establishment of the Agency for European Integration. Available at: <a href="https://konsultimet.rks-gov.net/viewConsult.php?ConsultationID=40910">https://konsultimet.rks-gov.net/viewConsult.php?ConsultationID=40910</a>

as reasonable suspicions that the MEI would be restored were growing considerably.<sup>30</sup> An expansion of the government coalition, whereby the Democratic Party of Kosovo (PDK), in opposition, would join the incumbent Hoti administration, was allegedly being considered among the ranks of government-leading LDK. While PDK denied its involvement in the purported coalition talks, several days of uncertainty over the veracity of these rumours ensued—which modestly hinted at the possibility for a PDK-led MEI to make a comeback into the government's ministerial structure.<sup>31</sup>

The uncertainty that had surrounded the apparent dismissal of the AEI plan, as well as the potential participation of PDK in the government, was somehow dispelled by the public nomination of Deputy Prime Minister Driton Selmanaj as the political and institutional responsible for Kosovo's EIP.<sup>32</sup> The process that led to this appointment, however, was never clarified, but rather announced as a given after weeks of unclarity and poor communication.

For some time after this decision, Kosovo's EIP seemed to be on standby. After the government's project of establishing the AEI was halted in early October, there was no entity responsible for leading Kosovo's European accession or endowed with the competences hitherto held by the MEI. Although Government Regulation 06/2020 was being complied with as far as the inactivity of the MEI was concerned, since the MEI is not anymore a part of the ministerial organization, the only current framework of authority over the EIP was embodied in Deputy Prime Minister Selmanaj.

<sup>&</sup>lt;sup>30</sup> 2020. PritetrikthimiiMinistrisësëIntegrimitEvropian [The return of the Ministry of European Integration is expected]. *Objektiv*, [online] 7 October. Available at: <u>https://gazetaobjektiv.com/pritet-rikthimi-i-ministrise-se-integrimit-evropian/</u> [Accessed 11 November 2020].

<sup>&</sup>lt;sup>31</sup> 2020. Pse po rikthehetMinistria e Integrimeve, a po ibëhet vend PDK'sënëQeveri? [Why is the Ministry of European Integration returning, does this provide a place for PDK in the Government?]. *Gazeta Express*, [online] 7 October. Available at: <u>https://www.gazetaexpress.com/qeveria-i-hap-rruge-formimit-te-nje-ministrie-shtese-2/</u> [Accessed 11 November 2020].

<sup>&</sup>lt;sup>32</sup>Kqiku, A. 2020. Selmanajemërohetpërgjegjëspërprocesinintegrues [Selmanaj is appointed responsible for the integration process]. Koha, [online] 28 October. Available at: <u>https://www.koha.net/arberi/243151/selmanaj-emerohet-pergjegjes-per-procesin-integrues/?fbclid=lwAR3\_KDX0KsIGRJG4nIY-FjOR5IMdCF6Z2yREkVLkq-QvVx5ctRWN2fp53mQ [Accessed 11 November 2020].</u>

#### II. THE EMERGENCE OF NEW EUROPEAN INTEGRATION MACHINERY

#### i. A picture of Kosovo's current EIP structure

The uncertain demise of the MEI and the reversal of the AEI plan left Kosovo's EIP in no man's land. On the 16<sup>th</sup> of November, however, the OPM issued the first Regulation detailing its internal organization and systematization of jobs.<sup>33</sup> With the publication of this act, thus, light was finally being shed upon the institutional design of Kosovo's modified EIP structure.

The OPM is now the broader institutional umbrella where Kosovo's EIP structure has been placed. Out of the six non-technical Departments found in the former MEI—that is, all except for the Department of Finance and General Services—five have become new Offices within the OPM (see Table 2).

#	Administrative division in the MEI (as per Regulation No. 32/2012, amended and supplemented by Regulations No. 27/2013 and 08/2019)	Current administrative division as part of the OPM (as per Regulation No. 01/2020)	
1	Department of SAP Coordination	Office for Coordination of the Stabilization and Association Process	
2	Department of Political Criteria	Office for Political Criteria	
3	Department of Economic Criteria and Internal Market	Office for Economic Criteria and Internal Market	
4	Department of Sectoral Policies	Office for Sector Policies	
5	Department of Development Assistance	Development Cooperation Office	
6	Department of EU Law	Has not become a new Office	
7	Department of Finance and General Services	Has not become a new Office	

#### Table 2. Comparison between administrative divisions in the MEI and OPM

As per this new distribution, featuring five new Offices, the Director of each Office shall report and respond to the Secretary General of the OPM. As was the case in the MEI, these Offices are articulated along five well-defined thematic areas of responsibility. When further broken down, each Office is made up of Divisions, ranging from two to three depending on the complexity of the area.

The Office for Coordination of the Stabilization and Association process is the unit endowed with the horizontal coordination of the government's EIP negotiating structures, and is also responsible for regular reporting to the European Commission (EC) on the implementation of

EIP-related reforms. In all, this Office acts as an encompassing communication channel for policy coordination purposes. The Offices for Political Criteria, for Economic Criteria and Internal Market, and for Sector Policies, besides their coordination responsibilities within their areas of specialization, are able to participate in policy-making processes for the alignment of the policy framework in their areas of specialization.

The budgetary regime of the new EIP structure—namely, the five Offices and their Divisions—is subject to the responsibility and authority of the OPM. While the MEI was financially autonomous, enjoying a budget of its own, this new arrangement transfers the Offices' financial competences to the OPM's Office of Budget and Finance, in charge of planning the budget of the OPM "in coordination with the relevant units"<sup>34</sup>. It is noteworthy to point out that the potential establishment of an Executive Agency within the OPM, such as the dismissed AEI, and the transfer thereinto of the former MEI's administrative units, would allow for Kosovo's EIP structures to be financially independent.

#### ii. What is the way forward?

Kosovo's new EIP structure appears very experimental. It is the first time the country lacks a fullfledged institutional framework that deals exclusively with EIP-related matters; even its earliest structure, the ACDEI created in 2009, was conceived as an Executive Agency within the OPM, immediately followed by the establishment of the MEI in 2010. Thus, as things stand, the current structure seems malleable and vulnerable to potential government expansions—especially without a Law on Government yet in place—which would lead to an increasing uncertainty around the EIP. Kosovo's political instability has proved, in all, very disruptive for the country's accession and reform process, and the fragility of the new EIP structure is bound to be no less witness to this.

In light of the institutional transformations that have taken place in 2020 regarding Kosovo's EIP framework, the domestic discussion should depart from the question of whether or not removing the MEI from the ministerial structure has been a good decision. In favour of this move, it can be argued that the withdrawal of the MEI responds to the government's electoral promise of reducing the number of ministries-thus offering accountability towards its voters and living up to its electoral commitments. Premier Hoti's LDK, now at the helm of the executive, had already been part of the short-lived former VV-led government-which effectively carried out a considerable ministry downsizing, which could have impacted the prime minister's decision to follow this strategy. However, the decision of removing the MEI can also be argued against, namely in terms of institutional continuity. This move has the potential to be highly disruptive for Kosovo's EIP, since such a restructuring will limit-and might even paralyze-the extent to which these institutional frameworks can maneuver normatively. The steady pace of the EIP could also see itself hindered during the process of staff and resource reallocation. Furthermore, the hidden symbolism within the decision of rejecting the MEI could impact Kosovo's image vis-à-vis its EU peers-although, at the end of the day, real commitment to the EIP is showcased and proved through actual reforms.

In all, the demise of the MEI is a reality. Departing from this exercise of acceptance, a follow-up question should now be considered: is the current EIP structure the most effective institutional framework to take over the MEI's duties, or should the establishment of an Agency

<sup>&</sup>lt;sup>34</sup> Art. 56, Regulation No. 01/2020 dated 16.11.2020 on internal organization and systematization of jobs in the Office of the Prime Minister. Prime Minister of the Republic of Kosovo. Available at: <u>https://kryeministri-ks.net/wp-content/uploads/2020/11/RREGULLORE\_ZKM\_-NR\_01\_2020\_P%C3%8B</u>

R ORGANIZIMIN E BRENDSH%C3%8BM DHE SISTEMATIZIMIN E VENDEVE T%C3%8B PUN%C3%8BS N%C3%8B ZYR%C3%8BN E KRYEMINISTRIT...pdf

have been the preferred alternative? While it is still early to make an informed assessment of the outcomes of the current EIP structure under the OPM, as no substantial progress has yet been recorded, it is not daring to argue that the creation and establishment of a potential Agency, namely the rejected AEI, would have possibly been less experimental and more stable. Furthermore, setting up an Agency through a special law would have endowed the entity with financial autonomy, as it would have relied on a budget of its own—something the current EIP arrangement is lacking.

The extent to which the new EIP structure will reap the expected results is yet to be seen. The OPM, and more broadly, the government, must guarantee the political autonomy of the five Offices and render them a purely non-partisan body detached from external political interference. In addition to this, a free and independent communication channel between the Offices and the EC, expectedly through the Office for Coordination of the Stabilization and Association Process as a centralizing unit, must be guaranteed. Inasmuch as it will lack financial autonomy, Kosovo's new EIP structure must strive to preserve its technical and partisan independence in order to consolidate itself as the country's novel institutional arrangement. If done well, a considerable step towards effectiveness would be taken.

Kosovo's new EIP framework has much to set straight, not least in terms of its short-, medium- and long-term priorities. Thus, it should focus its efforts on the coordination and monitoring of the government's progress in the adoption and implementation of EIP-related reforms. The ongoing process of compliance with the 2016 SAA and the recently-launched European Reform Agenda (ERA) II, Kosovo's two main policy tools for European alignment, stands as the most pressing field of institutional action. The OPM and the relevant deputy prime minister responsible for EIP-related affairs should likewise be expected to hold the application for candidate status as one of the country's goals in the medium and long run.

#### **III. CONCLUSIONS AND POLICY RECOMMENDATIONS**

The primary aim of this Policy Analysis has been to provide a comprehensive and up-to-date picture of Kosovo's changing institutional EIP mechanisms throughout the years. Since the creation in 2009 of the country's first independent body responsible for European integration, the ACDEI, and the transfer of powers in 2010 to the MEI, Kosovo has arguably trodden a modest path on its way to full EU accession.

The current stage of uncertainty surrounding Kosovo's EIP structure, all the more aggravated during the 2020 political impasse, arrives as a consequence of the country's poor ministerial strategy. The short-lived Kurti administration, although committed to a considerable government downsizing, opted for leaving the MEI untouched and decided not to merge it with the MFA. However, as the incumbent Hoti Government took office in June, the fate of the MEI faded into uncertainty. In the new 16-ministry cabinet, there seemed to be no room for the MEI—which was set to become the AEI and be placed under the institutional responsibility of the OPM. The establishment of the AEI was shortly thereafter revoked, rendering the situation even more ambiguous.

Now, Kosovo's new EIP structure falls within the OPM, where it lacks financial autonomy. Against an ongoing backdrop of reshuffling and restructuring, and while the results of this new institutional structure are yet to be seen, Kosovo's EIP mechanism seems to lack the stability to face the most urgent integration challenges. All things considered, the policy recommendations for Kosovo are the following:

#### On the structure of the government's ministerial cabinet

• The Kosovo Assembly should adopt the Draft Law on Government. This will put to a halt the deliberate and arbitrary reshuffling of ministries for clientelist purposes every time a new political party is leading the government.

#### On Kosovo's new EIP structure

- The information around the status of the former MEI and the potential creation of the AEI during the months of September and October 2020 was unclear, contradictory and ambiguous. The government must enhance its communication strategy when it comes to conveying information relative to Kosovo's EIP structure, especially towards the public and the media;
- The appointment of Deputy Prime Minister Driton Selmanaj as the person responsible for EIP-related affairs must be officially sealed through a relevant Government act;
  - The government should, furthermore, issue an official statement detailing how Deputy Prime Minister Selmanaj's background, international expertise and qualifications render him the most adequate person to undertake the responsibility of leading Kosovo's EIP;
- The government and the OPM must guarantee the political independence of the new EIP structure, and render it a purely civil and non-partisan body.
- The OPM must ensure a free and independent communication channel for policy coordination purposes between the five EIP offices and the EC, mostly through the Office

for Coordination of the Stabilization and Association Process as the centralized reporting body.

• The government should consider revisiting the concept document on the establishment of the AEI within the OPM, and contemplate its adoption in the light of the Agency's potential documented benefits for Kosovo's EIP;

#### On other medium-term goals

- The governing coalition should work towards obtaining a stronger majority in the Assembly in order for reform-oriented legislation in compliance with SAA and ERA II to be approved more swiftly and decidedly;
- The government should consider Kosovo's formal application for EU candidate status as a prospective goal, provided that full compliance with the SAA and ERA II is (or is close to being) fulfilled.

#### **Policy Analysis**

Policy Analysis in general is a policy advice paper which particularly aims to influence the key means through which policy decisions are made in both local and central levels of government. The purpose of Policy Analysis is to address, more in-depth, a particular problem, to examine the arguments related to a concerned policy, and to analyze the implementation of the policy. Through Policy Analysis, Group for Legal and Political studies seeks to stimulate wider comprehensive debate on the given issue via presenting informed policy-relevant choices and recommendations to the key stakeholders and parties of interest.



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