



# THE KOSOVAR CIVIL SOCIETY INDEX 2016

---

October 2016



The Kosovar Civil Society Index was prepared by the Kosovar Civil Society Foundation research team.

#### **AUTHOR**

Taulant Hoxha

#### **COAUTHOR AND LEAD RESEARCHER**

Erëblina Elezaj

#### **KCSF'S RESEARCH TEAM**

Nart Orana

Donika Elshani

Mirjeta Ademi

#### **THE EXTERNAL RESEARCH TEAM**

Kujtim Kryeziu – Interviewer

Kushtrim Mustafa – Interviewer

Diellza Kosumi – Interviewer

Fisnik Ferizi – Interviewer

Yllza Xheladini – Interviewer

Andi Emimi – Interviewer

Agon Ahmeti – Interviewer

---

*This publication is financially supported by the Swiss Cooperation Office in Kosovo (SCO-K), through the Democratic Society Promotion (DSP) project. KCSF is supported by Sida. The content of this publication is the sole responsibility of the authors and does not necessarily reflect the views of the SCO-K or Sida.*

---

# Table of content

<b>Executive Summary .....</b>	<b>7</b>
<b>Introduction .....</b>	<b>9</b>
<b>Methodology .....</b>	<b>10</b>
<b>Structure of the civil society in Kosovo .....</b>	<b>14</b>
<b>Legal framework .....</b>	<b>22</b>
Freedom of Association .....	23
Other freedoms.....	25
Financial reporting .....	27
Financial audits .....	29
Economic activities of NGOs.....	30
Incentives for CSOs’ donors .....	31
Public benefit status.....	32
<b>Internal governance and capacities .....</b>	<b>34</b>
Leading bodies .....	35
Decision-making.....	36
Internal documents and transparency .....	37
Staff.....	38
Staff recruitment.....	41
Internal capacities .....	42
Support infrastructure for the civil society .....	47
Networking and communication .....	49
<b>Citizen engagement.....</b>	<b>52</b>
Civic activism .....	53
Volunteering.....	55
<b>Funding .....</b>	<b>58</b>
Annual turnover .....	59
Funding sources.....	60
Planning and funding trends.....	62
Types of support.....	63
Donor programming of funds .....	66
Influence of donors in the work of CSOs.....	68
EU Funds.....	69
Public funds.....	70
State contracts for public services .....	72
Non-financial support .....	74
Private donations and philanthropy .....	75
<b>Perceived impact.....</b>	<b>78</b>
Responsiveness .....	79
Perceived impact.....	81
Advocacy.....	83
Access to information .....	85
Participation in policy-making.....	87
<b>External Environment .....</b>	<b>92</b>
Socio-economic context.....	93
Socio-political context .....	94
Socio-cultural context.....	96

## List of figures

(Fig.1: NGOs in numbers - Source: NGO Register & TAK) .....	16
(Fig.2: Geographical distribution of NGOs - Source: NGO Register) .....	17
(Fig 3: Trend of registration of NGOs by years – Source: NGO Register).....	18
(Fig.4: CSO Annual Turnover for 2015 – Source: CSO Survey & TAK) .....	19
(Fig.5: Number of employees of CSOs who declared employees in 2015 – Source: TAK).....	20
(Fig.6: Assessment of the NGO registration process – Source: CSO Survey (CSOs registered during 2014-2015)).....	23
(Fig.7: CSO experience on restriction of their freedom of expression – Source: CSO Survey) .....	26
(Fig.8: CSO experience on restriction of their communication channels – Source: CSO Survey).....	27
(Fig.9: CSO Financial activity vs. tax payment – Source: CSO Survey).....	28
(Fig.10: CSOs with at least one external financial audit by annual turnover of CSOs for 2015 – Source: CSO Survey).....	30
(Fig.11: CSOs benefiting from tax exemptions during 2015 – Source: CSO Survey).....	32
(Fig.12: Highest governing bodies declared by associations – Source: CSO Survey).....	35
(Fig.13: Frequency of meetings of highest governing bodies during 2015 – Source: CSO Survey).....	36
(Fig.14: Existence of internal documents – Source: CSO Survey).....	38
(Fig.15: Geographical distribution of NGO employees – Source: KPST) .....	40
(Fig.16: Gender distribution of employees in civil society and other sectors in 2015 – Source: KPST).....	41
(Fig.17: Staff retention by the annual turnover of CSOs for 2015 – Source: CSO Survey) .....	42
(Fig.18: Self-assessment of the CSO internal capacities – Source: CSO Survey) .....	43
(Fig.19: Self-assessment on main strengths and weaknesses of CSO internal capacities – Source: CSO Survey) .....	45
(Fig.20: Foreign donor assessment of CSO internal capacities – Source: Donor Survey) .....	45
(Fig.21: Assessment of CSO networks on internal capacities of their members – Source: Networks’ Survey) .....	46
(Fig.22: CSO assessment on availability of support organizations/services for CSOs – Source: CSO Survey).....	48
(Fig.23: Foreign donor assessment on availability of support organizations/services for CSOs – Source: Donor Survey) .....	48
(Fig.24: Assessment of CSO networks on availability of support organizations/services for CSOs – Source: Networks’ Survey) .....	49
(Fig.25: CSO networking – Source: CSO Survey) .....	50
(Fig.26: Participation of citizens in public activities – Source: UNDP Public Pulse) .....	53
(Fig.27: Citizen engagement with civil society in 2013 and 2016 – Source: UNDP Public Pulse) .....	54
(Fig.28: Number of volunteers vs number of paid staff of the surveyed CSOs during 2015 – Source: CSO Survey) .....	55
(Fig.29: CSO perception on the trends of volunteering in civil society during 2015 – Source: CSO Survey) .....	56
(Fig.30: CSO Annual Turnover for 2015 – Source: CSO Survey & TAK) .....	59
(Fig.31: Trend of CSO revenues and expenses in 2015 compared to 2014 – Source: CSO Survey) .....	60

(Fig.32: Sources of funding of civil society sector – Source: CSO Survey) .....	61
(Fig.33: CSOs by source of funding – Source: CSO Survey).....	62
(Fig.34: Duration of planning the work of CSOs – Source: CSO Survey) .....	63
(Fig.35: Type of support provided by foreign donors to CSOs during 2015 – Source: Donor Survey) 64	
(Fig.36: Type of application procedures for foreign funds during 2015 – Source: Donor Survey) .....	65
(Fig.37: Donor assessment on the application procedures for foreign funds during 2015 – Source: Donor Survey).....	65
(Fig.38: Invitation of CSOs by foreign donors on programming of their funds – Source: Donor Survey) .....	67
(Fig.39: Interference of donors on the work of CSOs – Source: CSO Survey).....	68
(Fig.40: Main challenges in applying for/implementing EU funds – Source: CSO Survey).....	69
(Fig.41: CSO experience in monitoring and reporting of public funds during 2015 – Source: CSO Survey) .....	71
(Fig.42: CSO assessment on public funds during 2015 – Source: CSO Survey).....	72
(Fig.43: Types of state contracts obtained by surveyed CSOs during 2015 – Source: CSO Survey) .....	73
(Fig.44: Types and challenges of non-financial support by CSOs during 2015 – Source: CSO Survey) .....	75
(Fig.45: CSO assessment of the environment for philanthropy in Kosovo – Source: CSO Survey).....	78
(Fig.46: CSO perception on civil society influence in areas of main concern for citizens – Source: CSO Survey) .....	79
(Fig.47: External stakeholders perception on civil society influence in areas of main concern for citizens – Source: External Perception Survey).....	80
(Fig.48: CSO perception on main areas of influence of civil society in general – Source: CSO Survey) .....	81
(Fig.49: CSO perception on main areas of influence of their organization – Source: CSO Survey).....	82
(Fig.50: External stakeholders perception on main areas of civil society activity – Source: External Perception Survey) .....	83
(Fig.51: Communication of CSOs with state institutions responsible for cooperation with civil society – Source: CSO Survey) .....	84
(Fig.52: Involvement of CSOs in the implementation of the Government Strategy for cooperation with civil society 2013-2017 – Source: CSO Survey) .....	85
(Fig.53: Experience of CSOs that submitted a request for access to public information during 2015 – Source: CSO Survey) .....	86
(Fig.54: Assessment of CSOs on publication of draft laws and policies during 2015 – Source: CSO Survey) .....	88
(Fig.55: Invitation of CSOs for public consultations – Source: CSO Survey) .....	89
(Fig.56: The CSO perception on impact of civil society in policy making – Source: CSO Survey).....	90
(Fig.57: CSO experience with selection procedures in joint bodies established by public institutions – Source: CSO Survey) .....	91
(Fig.58: Trends of citizen opinions on political direction, democratic processes and readings to protest – Source: UNDP Public Pulse) .....	96
(Fig.59: Level of trust of citizens in different sectors/institutions – Source: RIINVEST Opinion Poll) .....	97
(Fig.60: Level of interpersonal trust among citizens – Source: UNDP Public Pulse) .....	98

## List of abbreviations

---

BCSDN – Balkan Civil Society Development Network

---

CSO – Civil society organizations

---

CSO Survey – Organizational Survey

---

Donor Survey – Development Partners’ Survey

---

EU – European Union

---

EULEX – European Union Rule of Law Mission in Kosovo

---

FGD – Focus Group Discussion

---

GDP – Gross Domestic Product

---

KCSF – Kosovar Civil Society Foundation

---

KCSI – Kosovar Civil Society Index

---

KPST – Kosovo Pension Savings Trust

---

LDK – Democratic League of Kosovo

---

LGBTI – Lesbian, gay, bisexual, trans and intersex

---

NATO – North Atlantic Treaty Organization

---

Network Survey – Civil society networks Survey

---

NGO – Non-governmental organizations

---

NGO Department – Department for NGOs in the Ministry of Public Administration

---

NGO Law – The Law on Freedom of Association in Non-governmental Organizations

---

PDK – Democratic Party of Kosovo

---

RTK – Radio Television of Kosovo

---

SAA – Stabilization and Association Agreement

---

TAK – Tax Administration of Kosovo

---

UNDP – United Nations Development Program

---

VAT – Value Added Tax

---

# Executive Summary

The Kosovar Civil Society Index (KCSI) is a regular study of the Kosovar Civil Society Foundation (KCSF). It assesses the state of the civil society sector in Kosovo on a periodical basis, by measuring the main dimensions of the sector including: structure of the sector, legal framework, internal governance and capacities, citizen engagement, funding, perceived impact and external environment for the operation of civil society. The research methodology includes desk research and legislative review, primary surveys, focus group discussions and data analysis.

Despite more than 8,500 registered NGOs and few other unregistered initiatives, the number of active CSOs in Kosovo is estimated to be around 1,500. Less than 1,000 CSOs had any financial activity or employees during 2015. The majority of the sector is comprised of small CSOs, in terms of both funding and staff. CSOs based in Prishtina and other regional centres in Kosovo dominate the sector. The trend of registration of new NGOs has been stable for the past six years, with around 500 new NGOs registered every year.

The basic NGO Law is generally in line with international standards, although secondary legislation in force since 2014 has resulted in direct state interference in internal matters of NGOs. Freedom of assembly is generally respected when it comes to CSOs, although only a portion of the sector has organized rallies or protests during 2015. No serious issues exist with the freedom of expression of civil society activists, despite occasional issues where pressure is reported for holding opposing views or criticizing state authorities. Parts of other legislation cover issues relevant for CSOs in areas such as financial reporting, tax and fiscal treatments and benefits, and employment. Many of them do not address the specific needs of the sector, while the existing tax benefits are either ambiguous or do not produce any effect in practice, including those for Public Benefit Organizations. The level of compliance regarding tax obligations among CSOs is very high, as well as the number of external financial audits filed for CSOs with annual turnover of more than 100,000 EUR. A set of highly restrictive provisions for NGOs in the legislation on money-laundering was removed, although some limitations still exist.

The vast majority of CSOs are registered associations, but not all of them respect the legal requirements for their highest governing body. Less than half of CSOs confirm having internal governance documents, with larger CSOs having more established internal regulation. Around half of the CSOs have websites or Facebook pages where they can publish relevant information for their work. While the majority of CSOs have few or no staff, the civil society sector still represents an important generator of employment in Kosovo. Although their staffs are assessed to have solid capacities, CSOs face significant challenges in hiring qualified staff. Unlike other sectors, the gender representation of staff employed by the civil society sector is almost balanced between men and women. Short-term funding results in poor staff retention. Domestic networking and intra-sectoral communication is much more developed compared to international networking and communication.

Citizen membership in civil society organizations remains low and is part of broader citizen apathy towards civic life in Kosovo. With few exceptions, many CSOs have very few mem-

bers, despite most of them being registered as associations. Greater support is present for specific issues and causes which civil society is engaged in, while more than half of citizens trust civil society and believe the sector is doing a good work. Low volunteering trends remain unchanged, with an unfavourable environment for volunteering being among the main reasons. Still, civil society has more volunteers than paid staff.

Funding for the sector remains stable. Two thirds of the sector operates with less than 10,000 EUR annually, with half of this group having no funds at all. Foreign donors provide most of the funding for the sector, although the share of CSOs receiving foreign funds has decreased. Due to short-term funding, the vast majority of the sector is unable to plan beyond one year. Through consultations with donor organizations, some CSOs have a say in the funding priorities of foreign donors. Only a small portion of the sector has successfully accessed EU funds, mainly due to a lack of capacity to apply for and implement EU funded projects. Smaller CSOs, in particular those active at the local level, are mainly dependent on public funds, which are not regulated by any legal criteria or procedures. Few CSOs can obtain state contracts for public services, while private giving is low in terms of both prevalence and amount.

Kosovar civil society has limited influence on issues that are of major concern to citizens, such as economic development and the rule of law. Interestingly, civil society seems to have a more critical standpoint towards itself compared to those outside of the sector when assessing its influence in these areas. Higher influence is perceived in the area of democratization. In contrary to the perceived influence, transparency and accountability, and the rule of law are the areas where civil society is perceived to be most active. Civil society maintains good communication with public institutions relevant for their area of work, yet this does not translate into sufficient access to information and involvement in public consultations in the policy-making process. While larger CSOs are more exposed to the policy-making process, the influence of the sector remains limited.

Civil society in Kosovo continues to operate in a largely unfavourable external environment. Kosovo's economy remains underdeveloped and does not generate significant employment. The unemployment rate remains high and Kosovo citizens are among the poorest in the region. The poor socio-economic conditions in Kosovo resulted in an extensive migration wave during 2014 and 2015. The level of corruption and rule of law is perceived to be highly unsatisfactory. Despite the end of Kosovo's supervised independence, Kosovo still remains subject to foreign political, judicial and military organizations. The initial progress with regard to international recognition of Kosovo has recently stagnated. The Parliamentary Elections of 2014 and later agreements with Serbia and Montenegro have resulted in a long period of political crisis. The polarization of the political spectrum has blocked the work of the Assembly of Kosovo for a major part of the last two years. Through signing of the Stabilization and Association Agreement with the EU, Kosovo has marked its first contractual relation with the union. Nevertheless, the progress in its EU accession reforms remains limited. Leader-driven political parties lacking transparency do not give much hope for progress. Satisfaction with the political direction of the country is decreasing, as well as trust towards the main institutions in Kosovo. Despite the above, the readiness of citizens to join public protests is in decline, while the level of interpersonal trust remains very low.



# Introduction

The Kosovar Civil Society Index (KCSI) is a regular study of the Kosovar Civil Society Foundation (KCSF) that assesses the state of the civil society sector in Kosovo on a periodical basis. This study continues an established tradition of KCSF in providing comprehensive information on the civil society sector in Kosovo, which started with the Anthology of the Civil Society in 2001, the Mapping Analyses of Civil Society in Kosovo in 2005, the CIVICUS Civil Society Index for Kosovo in 2011 and Kosovar Civil Society Index in 2014. This study is conducted every second year and measures the main dimensions of the civil society sector in Kosovo.

The methodology of the study is based on previous rounds of the Civil Society Index from 2011 and 2014, with specific adaptations of the research methods, aiming to best address the specific characteristics of civil society in Kosovo. The methodology includes desk research and legislative review, primary surveys, focus group discussions and data analysis. With the rest of the methodology being consistent with the KCSI 2014, the main change was in the sampling for the Organizational Survey, respectively the criteria for considering a CSO to be active. The sample for KCSI 2014 included all those CSOs who showed some level of activity (participation in different meetings, responding to e-mails, etc.) for the last three years. The sample for KCSI 2016 was extended to all those CSOs that responded positively to the invitation for interview for the survey, which was considered as a sign of their existence. This change was introduced in order to comply with best international standards on civil society activity, as well as to establish more comprehensive outreach for the study. Although minor, the practical implications of this change are increased inclusion of smaller CSOs in the survey that has resulted in slightly different results for certain indicators.

The surveys were conducted during the end of 2015 and beginning of 2016, collecting information for the calendar year 2015. Nevertheless, the study reflects other relevant developments from the first part of 2016, such as changes of legislation relevant to civil society. KCSI 2016 covers seven main fields that characterize the work of the civil society sector: structure of the sector, legal framework, internal governance and capacities, citizen engagement, funding, perceived impact and external environment for the operation of civil society.

By including a detailed elaboration of a wide range of indicators, this report is intended for use by experts, researchers and professionals, as well as decision-makers in public institutions, donor agencies and CSOs dealing with civil society sector. In order to reach a broader audience outside of the the above target groups, the KCSI 2016 results are also presented in additional platforms including a visualisation of more than 50 main indicators and a series of thematic infographics to be launched during 2016 and 2017.<sup>1</sup>

---

<sup>1</sup> The KCSI 2016 online platform can be accessed at [www.kcsfoundation.org/index2016](http://www.kcsfoundation.org/index2016)

# Methodology

The research methodology of the Kosovar Civil Society Index 2016 (KCSI) used a combination of methods for different components of the report, including desk and legislative review, primary data collection through surveys and focus group discussions, as well as statistical analysis of relevant data collected by other institutions.

The first step, primary data collection, included an organizational survey (CSO Survey) with 101 CSOs across Kosovo including face-to-face interviews during the months of November and December 2015. In order to cross-check important aspects of civil society development such as internal governance of organizations, capacities for applying for funds, program and project implementation, sources of funding, and the like, two additional surveys were conducted; one with the 20 largest donors to civil society in Kosovo and the other with six network organizations. Information on the external perceptions regarding the role and impact of civil society was collected through a survey with 50 external stakeholders from different areas relevant for the civil society sector, including: the executive, legislative and judiciary institutions, public institutions (public healthcare providers, primary schools, public cultural institutions), public enterprises, independent agencies, municipalities, the private sector, media, academia, and international development partners. Finally, data on citizens' perceptions of civil society, their voluntary practice, and activism in the civil sector were obtained from the UNDP Public Pulse 9 survey<sup>2</sup>, which interviewed a representative sample of 1,300 adults across Kosovo.

The legislative review was based on the Monitoring Matrix Initiative, the annual monitoring of the enabling environment for civil society development. This regional initiative of the members of the Balkan Civil Society Development Network (BCSDN) monitors a wide set of standards and indicators, both in legislation and practice, of all elements constituting the environment for civil society operation on an annual basis.<sup>3</sup> KCSF conducts such monitoring since 2013, and a significant number of findings from the 2015 Kosovo Country Report have been used also for this study. Other developments occurring in the beginning of 2016, have been part of additional desk and legislative research.

Upon completion of the desk research, legislative review and preliminary data analysis of the above-mentioned surveys, major topics related to civil society development were identified and three **focus group discussions** (FGDs) were organized. One FGD was held with CSOs and CSO networks, one with donor agencies, and one with a random selection of citizens. In order to explore in-depth the topics selected for discussion, during the first FGD we selected smaller CSOs operating at the local level that have struggled with fundraising during the last two years, and domestic support organizations. During the second FGD we invited donor

---

<sup>2</sup> A bi-annual survey conducted twice per year with a representative sample of 1,300 Kosovans across the whole country, that collects information on citizens' opinions and perceptions regarding the performance of the Government of Kosovo and other public institutions, as well as the most recent political, economic and social developments.

<sup>3</sup> More on the Monitoring Matrix initiative can be found at [www.monitoringmatrix.net](http://www.monitoringmatrix.net)

agencies that work closely with various CSOs, while for the third FGD we invited citizens of different age, gender, education and occupational profiles. The FGDs were attended by approximately 10 participants each. For the first FGD, the smaller CSOs came from a variety of regions in Kosovo, both urban and rural, while previous information from KCSF re-granting data regarding their experience and funding trends were used to select those who are recently established or who have had less exposure to foreign funds. The support organizations consisted of several domestic CSOs who re-grant civil society funds as well as provide capacity building support for CSOs, thus are exposed on a daily basis to the needs of their CSO grantees and beneficiaries. By combining the responses from both types of organization, the information and discussion from both perspectives was crosschecked, reflecting the demand side and the supply side of support. For the donor FGD, the invitations to participate targeted the donors with a long-term presence in Kosovo and those that generally provide more long-term support as they have more experience and in-depth information on a variety of CSOs. For the third FGD, citizens of different backgrounds have been invited in order to discuss about their perceptions on civil society, the channels of information for the sector, citizen initiatives and the expected role of civil society in addressing their concerns. The participants of the last FGD were carefully selected in order to have a balance in terms of gender, age, professional background and geographical location.

Finally, to gain insight on the environment in which civil society organizations in the northern part of Kosovo operate, we partnered with NGO Aktiv to conduct qualitative research with CSOs in this region of Kosovo. The research included three FGD with CSO participants from the municipalities of Zvecan, Leposavic, North Mitrovica, and Zubin Potok. This additional research in the northern part of Kosovo was conducted in order to explore whether the different socio-political landscape in this region results in significant differences in the civil society sector too.

The CSO Survey sample was selected from the NGO Registry of the NGO Department within the Ministry of Public Administration, which included a total of 8,112 domestic and 457 foreign and international organizations. In order to collect comprehensive and representative information on the sector in terms of size, activity area, years in the sector and geographical distribution of the CSOs, a stratified random sampling methodology was used. The survey sample was selected following two steps:

1) Setting targets for the strata/target categories: 10 large and well-established CSOs,<sup>4</sup> 5 international CSOs, 5 CSOs from the Serb community and 5 CSOs of other ethnic communities (non-Albanian and non-Serb). In order to ensure geographical representation of the organizations, the population was also divided across regions as follows: minimum 15 CSOs in Prishtina and minimum 10 CSOs in other main regions of Kosovo. Additionally, in each of the regional sub-samples of at least one CSO from smaller municipalities or rural areas was sampled to gain insight on differences they face in their daily operations. The CSOs from the Serbian community were sampled across Serbian majority municipalities: North Mitrovica, Zvecan, Leposavic, Gracanica and Sterpce;

---

<sup>4</sup> For the purposes of the sampling, the well-established organizations were considered those CSOs that have a sustainable trend of funding, full-time employees, specific areas of work and consistent exposure in the public sphere within their areas of work.

2) Random selection of CSOs across each of the strata/categories, based on the list of registered NGOs. Due to the high rate of inactive CSOs from the NGO Public Register, the same sampling methodology was repeated multiple times, until the final number of planned survey was completed. This was done by assigning random numbers to each of the CSOs in each of the strata and ranking them, interviewing CSOs in subsequent order (based on the assigned number for that particular strata), and selecting the next CSO in line, in case the previous selected one did not respond or was inactive.

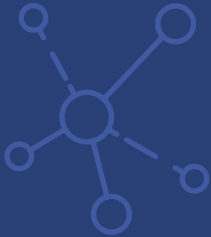
A similar sampling was used for the External Perception Survey, with the some differences in the initial list of the sample. With no formal database of external stakeholders, the research team initially composed a list of categories and assigned an approximate target number of respondents for each of the strata. A number of individual external stakeholders were proposed for each strata, both from the research team and the rest of KCSF staff. These individuals were selected based on three specific criteria: 1) those who are more cooperative with civil society; 2) those who are more active and vocal in their areas of work; 3) those who are less exposed to civil society. The respondents of this survey came from different sectors, such as the Kosovo Assembly and political parties (4), Kosovo Government (10), Municipalities (3), private sector (8), media (8), academia (5), judiciary (2), independent agencies (1), other public institutions such as schools, hospitals, etc. (4), public enterprises (2) and development partners and international organizations (3).

The Development Partners' Survey (Donor Survey) was conducted with all foreign and international donor agencies present in Kosovo who fund civil society programs, while the Networks' Survey included some of the most active networks in Kosovo, both at the national and local level.

The entire CSO Survey was completed through face-to-face interviews, in the premises of the respondents, with each of the interviews lasting for around 1.5 hours. Other surveys were completed using an online survey platform, SurveyMonkey. Some respondents of the External Perception Survey were interviewed face-to-face as they were unable to complete the online survey.

The majority of the questions in each of the surveys were closed questions, although in specific cases open-ended questions were included for specific questions whose responses are difficult to categorize in advance. The CSO Survey questionnaire consisted of 141 questions covering the topics of: general demographics; organizational structure; management, financial management, accountability, transparency and fiscal benefits; human resources (including volunteers) and internal capacities; networking and intra-sectoral communication; freedom of association and legal framework for civil society operation; other fundamental freedoms; support infrastructure; funding trends and sources of funding; public funds and state contracts; non-financial support from the state; service provision; economic activity; philanthropy; civil society involvement in programming of foreign donors funds; donors' influence in the operation of CSOs; advocacy, cooperation with public institutions, access to information and public consultation; perception of civil society impact; and external environment for civil society operation.

The External Perception Survey consisted of 14 questions and covered the topics of: perception of civil society impact; civil society activity; trust in civil society; civil society funding; civil society participation and impact in decision-making and external environment for civil society operation. The Donor Survey consisted of 35 questions and covered the topics of: programming of donor funds for civil society and CSO involvement; support mechanisms for CSOs and types of support; CSO capacities; effective development policies for CSOs; and external environment for civil society operation. The CSO Networks' Survey consisted of 27 questions and covered the topics of: network membership and structure; network support mechanisms for its members; members capacities; members funding trends; involvement in programming of foreign donors funds; and cooperation with public institutions.



## Structure of the civil society in Kosovo

Despite more than 8,500 registered NGOs and few other unregistered initiatives, the number of active CSOs in Kosovo is estimated to be around 1,500. Less than 1,000 CSOs had any financial activity or employees during 2015. The majority of the sector is comprised of small CSOs, in terms of both funding and staff. CSOs based in Prishtina and other regional centres in Kosovo dominate the sector. The trend of registration of new NGOs has been stable for the past six years, with around 500 new NGOs registered every year.

One of the most difficult questions to answer about the state of civil society is the number of CSOs that exist in a country. Different criteria can be used, with each of them producing a different result. First, civil society is comprised not only of registered NGOs, but also of other types of organizations, including unregistered initiatives. Second, even if focused on registered NGOs, it is difficult to assess whether an NGO is active. International standards do not require daily activities for an NGO to be considered active. According to the Venice Commission Guidelines on Freedom of Association “prolonged inactivity (as one of the few cases resulting in dissolving an association) is unlikely to be established without, for example, several years having elapsed since the last meeting of the association and repeated failures to file any annual reports that might be required.”<sup>5</sup> Without systematic reliable data on the civil society sector in Kosovo it is impossible to calculate the exact number of CSOs.

The data from the NGO Public Register of the Department for NGOs of the Ministry of Public Administration<sup>6</sup> show that a total of 8,112 national organizations and 456 international or foreign organizations are currently registered in Kosovo. From the above, 455 are sports clubs or sports federations, while 7 of them are religious organizations. With a dozen unregistered initiatives and other types of CSOs, the number of CSOs is higher than that of registered NGOs.

Not all 8,500 registered NGOs are active, while many of them do not exist at all. Since deregistration of an NGO is not mandatory, many of those registered in the NGO Public Register ceased their activity without formally deregistering their organization. The data from the Tax Administration of Kosovo (TAK) does provide a more accurate estimate of the size of the civil society sector in Kosovo, even though these figures should not be interpreted as definitive.

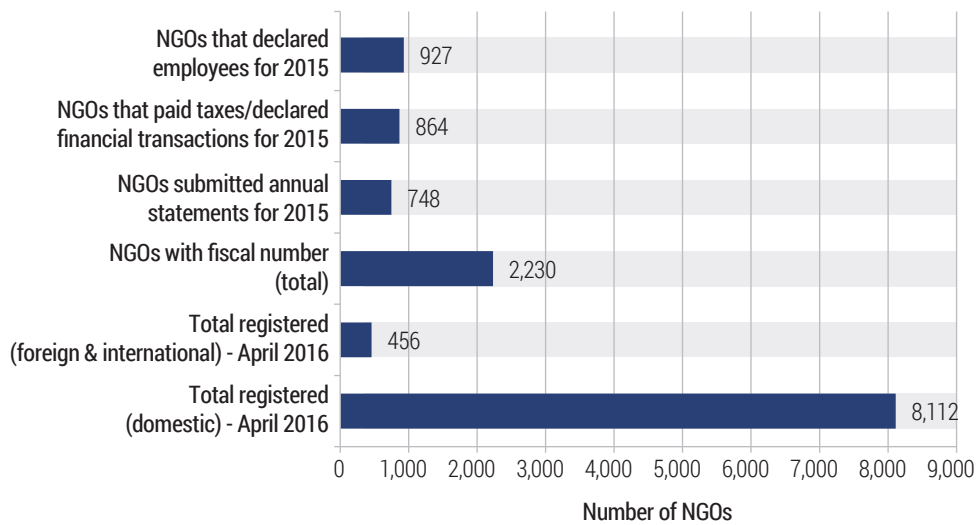
With no comprehensive data collection system for NGOs, different categories of data were obtained from TAK. Since 2009, when the fiscal number was introduced in Kosovo, until the end of 2015, 2,230 NGOs have been issued a fiscal number, which is a precondition to administer any kind of taxes in Kosovo. Furthermore, during 2015, 748 NGOs have submitted to the TAK the required annual statements,<sup>7</sup> 864 NGOs have paid taxes or declared some sort of financial transaction, and 927 NGOs have declared having employees during that year.

---

5 “Venice Commission Guidelines on Freedom of Association.” December 17, 2014. Accessed August 22, 2016. [http://www.venice.coe.int/webforms/documents/default.aspx?pdffile=CDL-AD\(2014\)046-e](http://www.venice.coe.int/webforms/documents/default.aspx?pdffile=CDL-AD(2014)046-e).

6 The NGO Register was obtained in April 2016.

7 The annual statement full name is CD - The form for Annual Statement and Payment on the Corporate Income Tax



(Fig.1: NGOs in numbers - Source: NGO Register & TAK)

If financial activity, such as having employees, paying taxes, or declaring transactions is taken into account, the number of active CSOs in Kosovo is no more than 1,000. However, as the CSO Survey shows, around one third of CSOs operate fully with volunteers, without any employees or financial transactions. Although fewer in numbers, there are also some unregistered initiatives which are part of the civil society sector. Although imprecise, by adding to this number a few hundred volunteer CSOs and unregistered initiatives, the number of active CSOs in Kosovo can be estimated at around 1,500.

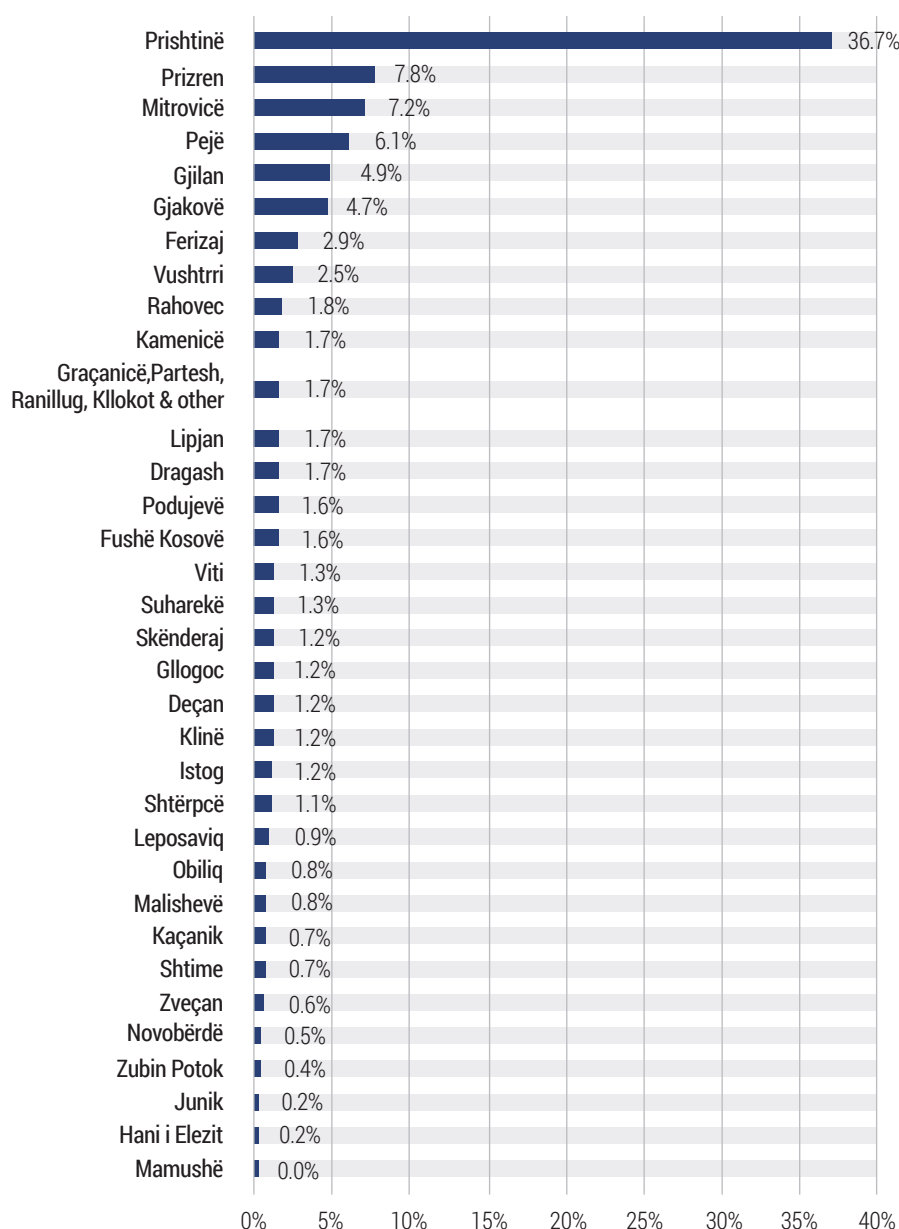
With only two legal forms of registration for NGOs, the majority of the national NGOs (96.2%) are registered as associations whereas the remaining 3.8% as foundations. Among the registered foundations there is only one registered based on an initial capital amount.<sup>8</sup>

Although the public register of the NGO Department is not updated regularly and includes mostly information provided during the registration process,<sup>9</sup> a number of characteristics can be still drawn from this list. Urban areas have the highest concentration of CSOs. As shown in the graph below, almost three quarters of the registered NGOs are located in the larger regional centres of Kosovo (70.3%). Among them, more than half are located in Prishtina (36.7% of all registered NGOs).

<sup>8</sup> Kosovar Civil Society Foundation, and European Center for Not-for-Profit Law. Legal Assessment and Implementation Report of the Kosovar Law on Freedom of Association in Non-Governmental Organizations. Report. 2015. 10

<sup>9</sup> Kosovar Civil Society Foundation, and European Center for Not-for-Profit Law. Legal Assessment and Implementation Report of the Kosovar Law on Freedom of Association in Non-Governmental Organizations. Report. 2015. 19





(Fig.2: Geographical distribution of NGOs - Source: NGO Register)

While NGOs are required to declare their area of focus during the registration process, the NGO Register is an unreliable source of information on this issue. According to this register, the dominant type of activity (i.e. culture, education, environmental protection, social development and health) or those who are the least declared (i.e. persons with disabilities, research and analysis) do not necessarily correspond with reality. This section of the NGO Register demonstrates three important features:

1) The declared areas of activities of many NGOs do not correspond with their actual daily areas of activities: This is the case for many CSOs and is most visible when they apply for funds. Donor agencies and re-granting organizations have raised the issue of CSOs applying for projects in certain fields that are not part of their mission or official area of activity. The

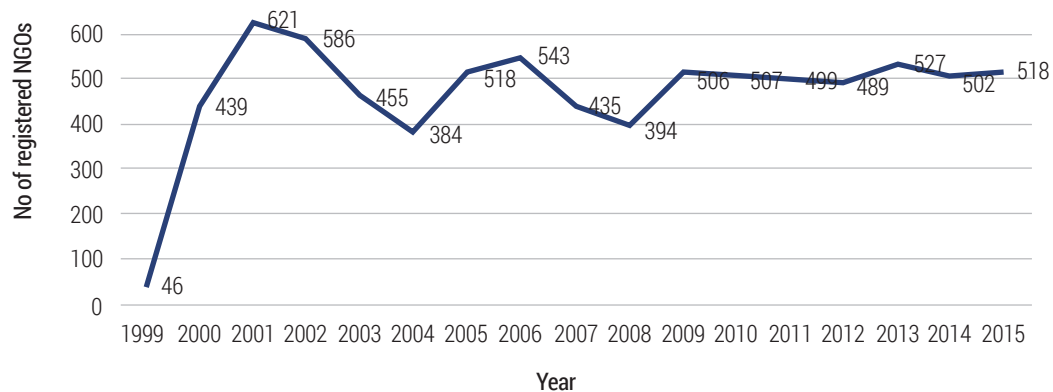
same pattern has been confirmed also by the FGDs with Serbian CSOs in the northern part of Kosovo.

2) The areas of activities declared during registration tend to be very general, as to allow for full flexibility of operation: This is indicated by the fact that a major portion of CSOs categorized as “other” in the NGO Registry fall in the ambiguous category of “society for society”. The NGOs are put in this category when their mission and area of activity are too general to be placed in a specific category.

3) The information collected by the NGO Department is not systematic and does not provide reliable data on the real structure of the sector: This is observed not only by comparing the NGO Public Register vis-à-vis publicly available information of many active CSOs in Kosovo, but also by those who work directly with the civil society sector. To illustrate this, while the public register of the NGO Department lists only 2 NGOs which have declared minority rights as their main area of activities, a KCSF managed grant-scheme, within a short period of time, received applications from 7 NGOs that declare this area as their main area of activities. Similar examples can be found in the area of European integration, transparency, and citizen participation, among others.

The registration trend for new NGOs is relatively constant, in particular during the last six years. 46 NGOs were registered in 1999 and this figure spiked to 621 in 2001. While the number of registrations has fluctuated between 2001 and 2010, the registration trend has recently stabilized at an average of 500 NGOs per year from 2009 - 2015.

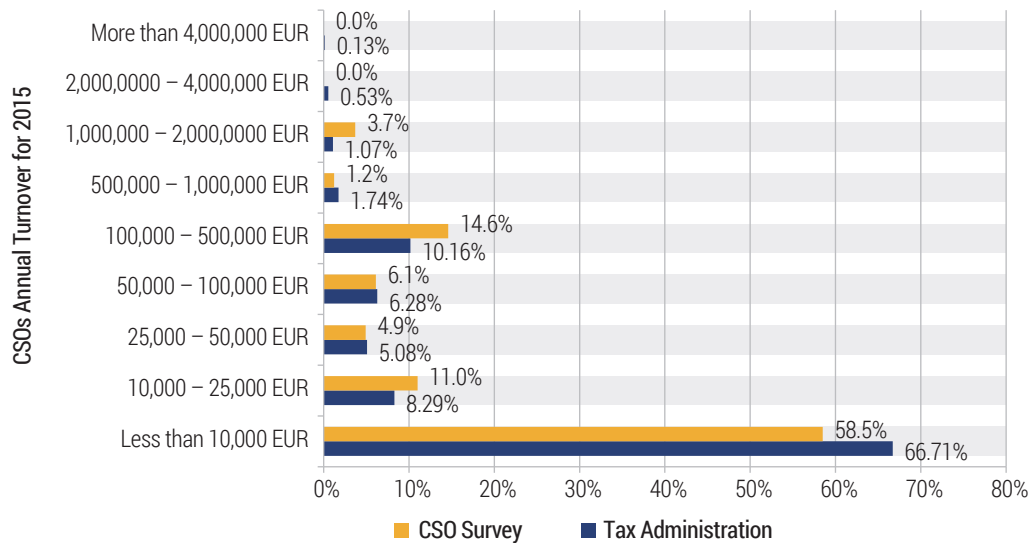
Regarding termination of NGO registration, as of 2015, only 102 NGOs have voluntarily decided to terminate their registration.<sup>10</sup>



(Fig 3: Trend of registration of NGOs by years – Source: NGO Register)

<sup>10</sup> Kosovar Civil Society Foundation, and European Center for Not-for-Profit Law. Legal Assessment and Implementation Report of the Kosovar Law on Freedom of Association in Non-Governmental Organizations. Report. 2015. 31

Analysis of financial data collected for the CSO Survey and from TAK, suggest a large number of CSOs operate with no or very limited funds. Around 60% of CSOs have an annual income of less than 10,000 EUR, with almost one third of the sector having no income at all during 2015. The second largest group of CSOs (around 10%-15%) had an annual income ranging between 100,000 EUR to 500,000 EUR in 2015. Only a very small portion of the sector (around 4%) reported an annual income exceeding 500,000 EUR during 2015. It is important to note that for the CSO Survey, 10.9% of the CSOs surveyed declined to respond to this question and are not included in the calculations.

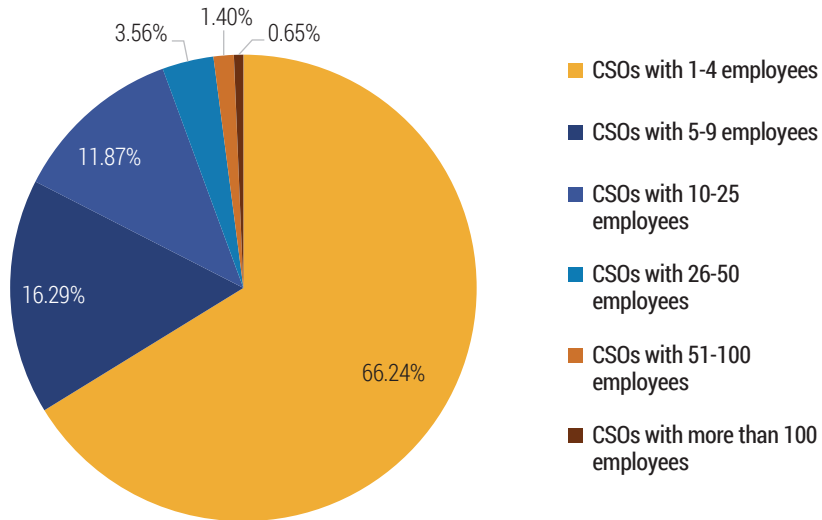


(Fig.4: CSO Annual Turnover for 2015 – Source: CSO Survey & TAK)

For many years, the civil society sector has not been included in the data produced by different state institutions, in particular those related to the economic value of the sector. Recently, KCSF has successfully worked with the Kosovo Pension Savings Trust (KPST) and TAK, to generate data providing detail on the economic value of the civil society sector in Kosovo. Nevertheless, depending on the data source, the result for the same indicators varies. This enables only an approximate estimation of the actual situation.

According to the KPST, the total number of individual contributions from the NGO sector during 2015 was 10,466. Of these, 4,142 worked in other sectors in addition to NGOs, while 3,329 individuals worked at an NGO for the full twelve months of 2015. As the number of individual contributions may include the same individuals a number of times if they received payment from different NGOs, this number may be an overestimation of the actual number of individuals working in the NGO sector. TAK data show a more explicit figure of those working for the CSO sector, and shows that NGO employers have declared 6,412 employees during 2015.

While there are CSOs with paid employees, many others operate only with volunteers, without any staff employed by the organization. From those who engage paid staff, the vast majority have no more than four employees.



(Fig.5: Number of employees of CSOs who declared employees in 2015 – Source: TAK)

---



## Legal framework

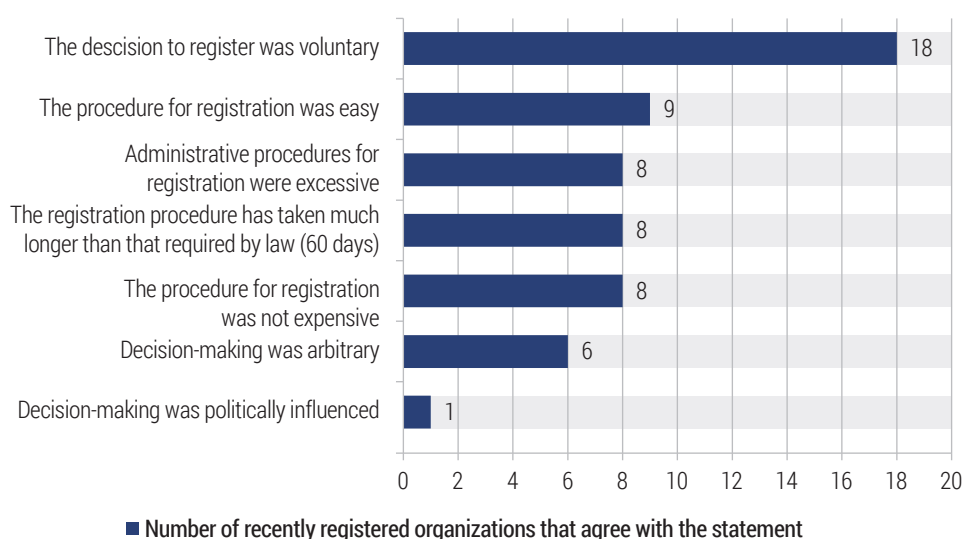
The basic NGO Law is generally in line with international standards, although secondary legislation in force since 2014 has resulted in direct state interference in internal matters of NGOs. Freedom of assembly is generally respected when it comes to CSOs, although only a portion of the sector has organized rallies or protests during 2015. No serious issues exist with the freedom of expression of civil society activists, despite occasional issues where pressure is reported for holding opposing views or criticizing state authorities. Parts of other legislation cover issues relevant for CSOs in areas such as financial reporting, tax and fiscal treatments and benefits, and employment. Many of them do not address the specific needs of the sector, while the existing tax benefits are either ambiguous or do not produce any effect in practice, including those for Public Benefit Organizations. The level of compliance regarding tax obligations among CSOs is very high, as well as the number of external financial audits filed for CSOs with annual turnover of more than 100,000 EUR. A set of highly restrictive provisions for NGOs in the legislation on money-laundering was removed, although some limitations still exist.

## Freedom of Association

Freedom of Association is a constitutional right, guaranteed in Article 44 of the Constitution of Kosovo and defined by the Law 04/L-57 on Freedom of Association of NGOs. The legal framework ensures that everyone can exercise the freedom of association without the need to register an organization. Nevertheless, the vast majority of organizations decide to register in order to acquire the status of a legal entity and the accompanying formal benefits, such as the possibility to open a bank account or receive funding from donors.

Currently, NGOs can be registered in one of two forms: associations (membership based) and foundations (capital based).<sup>11</sup> Associations can be established by at least three physical or legal persons, while one person or a testament can establish foundations. There is no initial capital requirement or minimum funds for establishing a foundation. Registration rules are generally simple and procedures free of charge, while a response from the NGO Registration Department is required within 60 days.

Out of 101 CSOs interviewed for the purpose of this study, the 18 registered between 1<sup>st</sup> of January 2014 and end of December 2015 were asked about their experiences and perceptions regarding the registration process. All of them stated that the decision to register was voluntary; half stated that the procedure for registration was easy; and slightly less than half stated that the administrative procedures for registration were excessive, that the registration procedure took much longer than the 60 days stipulated by law, and that the procedure was not expensive. Only one of the interviewed CSOs stated that the approval process from the NGO Registration Department was politically influenced.



(Fig.6: Assessment of the NGO registration process – Source: CSO Survey (CSOs registered during 2014-2015))

<sup>11</sup> Other forms of exercising freedom of associations are regulated through their respective laws, such as trade unions, political parties, employers' associations, religious communities, etc.

In practice, the registration procedure in Kosovo is implemented largely without major difficulty and within the required deadline. However, in a recent study conducted by KCSF, there were reports that some NGOs face certain difficulties during this process, mainly related to the content of the statute. The NGO Department provides a statute template to all interested as guidance for those who may not have the capacity to draft a tailor-made statute for their NGOs. According to the NGO Department, the organizations are not required to use the template, rather it is sufficient that their statute is in accordance with the Law.<sup>12</sup> This study shows that the majority of additional requirements from the NGO Department did not have any legal basis but are rather based on differences in understanding of the statute template. Respective NGOs noted that rather than argue with the NGO Department on the contested provisions of the statute, it is less time consuming to complete the registration procedure by removing or adjusting the “problematic” provisions in their statutes, as requested by the NGO Department.<sup>13</sup> Furthermore, regardless of the legal requirement for three members to establish an association, an additional list of at least five additional members required by the NGO Department increases this requirement to eight members in practice.<sup>14</sup>

The focus group discussions in the northern part of Kosovo show that Serbian CSOs generally report a positive experience with the registration process. The CSO participants reported that the process was regular, that its duration was in accordance with the legislation in place and that the staff dealing with the registration process was very helpful. Most of the correspondence was conducted by email, which greatly facilitated the process considering the distance between Mitrovica and Prishtina.

Only 5% of the surveyed CSOs stated that they had faced restriction of freedom of association offline (associations, funds, civil initiatives) and/or online (forums on the Internet, Skype, Facebook, etc.) during 2015. Of these organizations, one stated that it had experienced *discriminatory denial and/or restriction of offline freedom of association (e.g. on gender, racial, religious basis)*; one experienced *monitoring of Skype, Facebook and other chat groups*; two experienced *discriminatory denial and/or restriction of internet applications, closing of forums, Facebook groups, etc.*; and four experienced *harassment of staff, members, volunteers and other persons engaged in the organization*. Five percent of the surveyed CSOs also stated that they faced state pressure or illegal interference in internal matters of the organization during 2015. The most common type reported by the CSOs was *illegitimate attacks towards the organization*, reported by three CSOs that experienced *interference in the facilities of the organization or its inspection (one CSO)*, *unreasonable restriction of the activity of the organization (one CSO)* and *excessive control of internal rules of the organization (one CSO)*. In addition, one of the surveyed CSOs reported that it had faced politicization, and the tendency to establish parallel structures within the organization during 2015.

---

12 Kosovar Civil Society Foundation, and European Center for Not-for-Profit Law. *Legal Assessment and Implementation Report of the Kosovar Law on Freedom of Association in Non-Governmental Organizations*. Report. 2015. 17

13 Kosovar Civil Society Foundation, and European Center for Not-for-Profit Law. *Legal Assessment and Implementation Report of the Kosovar Law on Freedom of Association in Non-Governmental Organizations*. Report. 2015. 17

14 *Monitoring Matrix on Enabling Environment for Civil Society Development: Kosovo Country Report 2015*. Report. Kosovar Civil Society Foundation. KCSF, 2016. 14.

While the above instances are based on perceptions of interference, during the period covered by this report there were cases of direct state interference towards NGOs, both legally and in practice. Article 18 of the Administrative Instruction GRK – No: 02/2014 on Registration and Functioning of NGOs allows the NGO Department to suspend the operation of NGOs with a written notification and justification from an authorized security institution. The maximum duration of the suspension is one year, and is justified when NGO activities are not in line with the legal and constitutional order of the Republic of Kosovo and international law. By introducing a category of suspension and enabling an administrative body to suspend the operations of an NGO, this article is not in line with the primary legislation. Despite requests from civil society to remove this article, it remains in force and allows for unwarranted state interference in the internal governance and activities of CSOs.<sup>15</sup> Based on this provision, cases of state interference have occurred both in 2014 and 2015. Fourteen NGOs were suspended in September 2014 for a period of one year,<sup>16</sup> while 13 NGOs were suspended in October 2015.<sup>17</sup> In the CSO Survey 5.1% of the surveyed CSOs experienced state interference in their internal matters during 2015.

Additionally, cases of interference from third parties have been reported. In September 2015 one commercial bank suspended the bank accounts of a number of NGOs without prior notice and without any legal basis, while responsible state institutions were not able to protect these NGOs from this interference.<sup>18</sup>

## Other freedoms

Freedom of Assembly is a constitutional right, as per Article 43 of the Constitution, while the Law 03/L-118 on Public Gatherings guarantees all Kosovar citizens the right to organize and participate in public gatherings. The legal framework requires prior notification for public gatherings, except in those places where no additional security measures are required. When no response is provided by authorities in due time (48 hours prior to public gathering), the public gathering can take place without any restriction. If restrictions are implemented following the notification for public gatherings, the organizers can appeal to the courts through a fast-track procedure. CSOs are subject to the same rights and obligations which apply to all citizens and other legal entities.

The survey shows that CSOs were not that active in organizing assemblies, while there were also no major problems faced during the assemblies that did take place. Twenty-two percent of the surveyed CSOs reported that they organized a rally, protest, march, or performance in an open environment during 2015. The majority of others, 86%, did not face any restrictions

---

<sup>15</sup> Monitoring Matrix on Enabling Environment for Civil Society Development: Kosovo Country Report 2015. Report. Kosovar Civil Society Foundation. KCSF, 2016. 15

<sup>16</sup> Monitoring Matrix on Enabling Environment for Civil Society Development: Kosovo Country Report 2015. Report. Kosovar Civil Society Foundation. KCSF, 2016.14

<sup>17</sup> Monitoring Matrix on Enabling Environment for Civil Society Development: Kosovo Country Report 2015. Report. Kosovar Civil Society Foundation. KCSF, 2016. 16

<sup>18</sup> Monitoring Matrix on Enabling Environment for Civil Society Development: Kosovo Country Report 2015. Report. Kosovar Civil Society Foundation. KCSF, 2016. 16

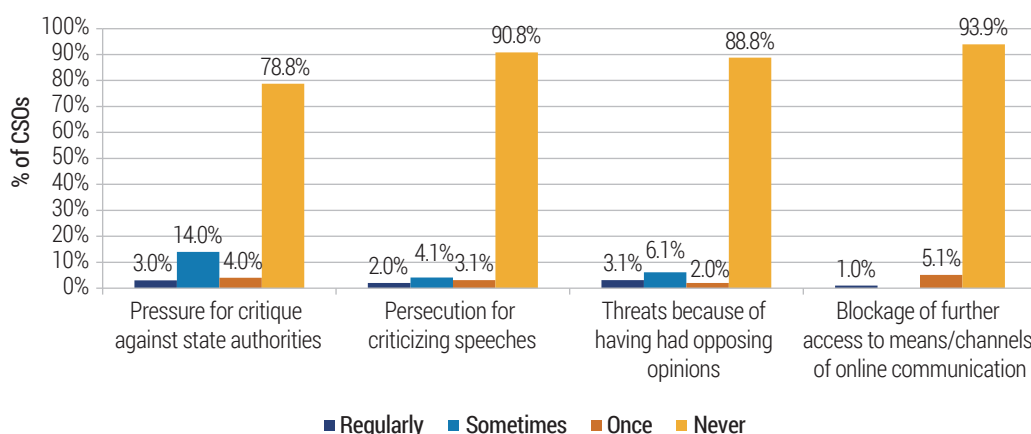


and 18% organized the gathering spontaneously without notifying the state authorities. Only one organization stated that it had participated in a counter-gathering (i.e. gatherings of opponent groups in the same place at the same time) and it agreed with the statement that the counter-gathering was protected by police.

Only one of the CSOs surveyed that organized a rally faced unjustifiable sanctions whereby the organizers were detained for organizing the gathering. Some of the cases where police intervention was reported during 2015 include the protests of students against the University of Pristina Rector and the protest of the Association of War Veterans in the southern town of Kaçanik.<sup>19</sup> On the other hand, beyond assemblies organized by civic activists and CSOs, most assemblies organized by political parties during this period were accompanied by violence, both from the police force and protesters, with journalists also being among those attacked.

Forty-seven percent of the interviewed respondents stated that they had participated in a rally, individually or through their organization, during 2015. More than half of these respondents stated that there were no excessive restrictions of the place and time of the rally (63%); police had not used force on the participants (61%) and that there were no restrictions on media participation in the rally (63%). Thirteen percent of respondents did not agree with any of the statements listed above.

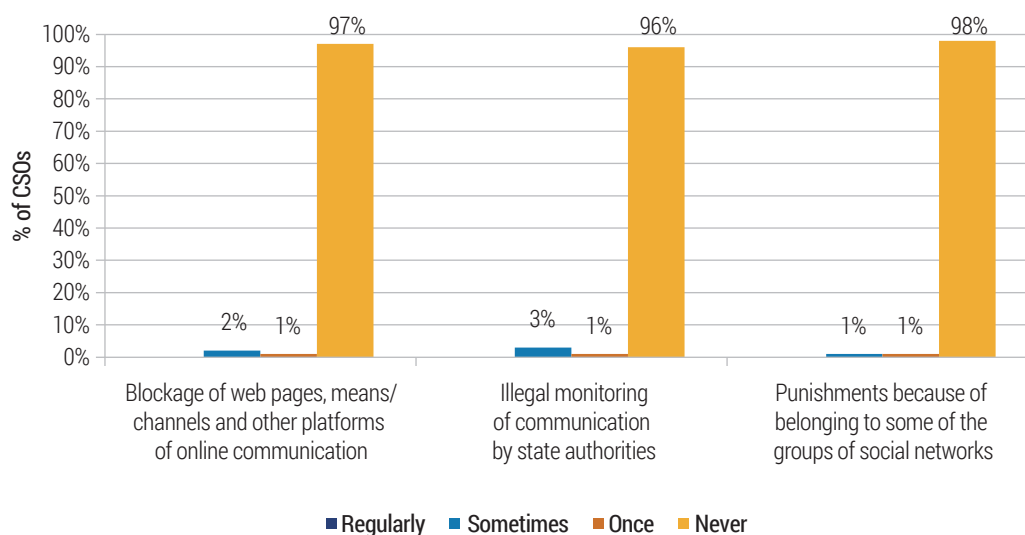
Based on Article 40 of the Constitution, Freedom of expression is guaranteed to all, and can be restricted only if necessary to prevent violence or racial, ethnic or religious hate. The CSO Survey shows that civil society in Kosovo generally enjoys freedom of expression. The majority of CSO stated that they did not face any illegal restrictions such as persecution for criticizing state authorities (91%) or blockage of further access to means or channels of on-line communication (94%). Pressure following the critique of state authorities and threats because the organization's members had opposing opinions does seem more problematic. Fourteen percent of the interviewed CSOs stated that they had sometimes experienced illegal pressure for criticizing state authorities, while 3% stated that they experience regular pressure for criticizing state authorities or threats because they have opposing opinions.



(Fig.7: CSO experience on restriction of their freedom of expression – Source: CSO Survey)

19 Monitoring Matrix on Enabling Environment for Civil Society Development: Kosovo Country Report 2015. Report. Kosovar Civil Society Foundation. KCSF, 2016. 21

The data show that problems with freedom of expression, to freely give and receive information, are even fewer; only 2% of the CSOs reported that they sometimes have problems with their websites, channels or other online communication platforms being blocked; 3% stated that the state authorities sometimes monitor their communication illegally and 1% stated that they were sometimes punished for belonging to specific social networks.



(Fig.8: CSO experience on restriction of their communication channels – Source: CSO Survey)

## Financial reporting

Kosovar NGOs are required to fulfil the same financial reporting obligations as all other legal entities in Kosovo. These include annual reporting to the TAK as well as reporting on paying respective taxes, such as personal income tax for their employees (if an NGO has employees), corporate income tax (if an NGO falls under requirements to pay this tax), the tax on property or rent (if an NGO owns a property or rents a premise), etc. Furthermore, NGOs must pay their part of the pension contribution for each of their employees. The general requirements are identical to other businesses and almost no specificities for the sector are provided in the legal framework.

The only specific obligation related to NGO reporting is the annual reporting of Public Benefit Organizations. This group of NGOs<sup>20</sup> is obliged to submit both narrative and financial reports to the NGO Department, a condition to maintain the public benefit status. If the annual turnover of public benefit organizations is more than 100,000 EUR, the financial report should be complemented by an external audit report.

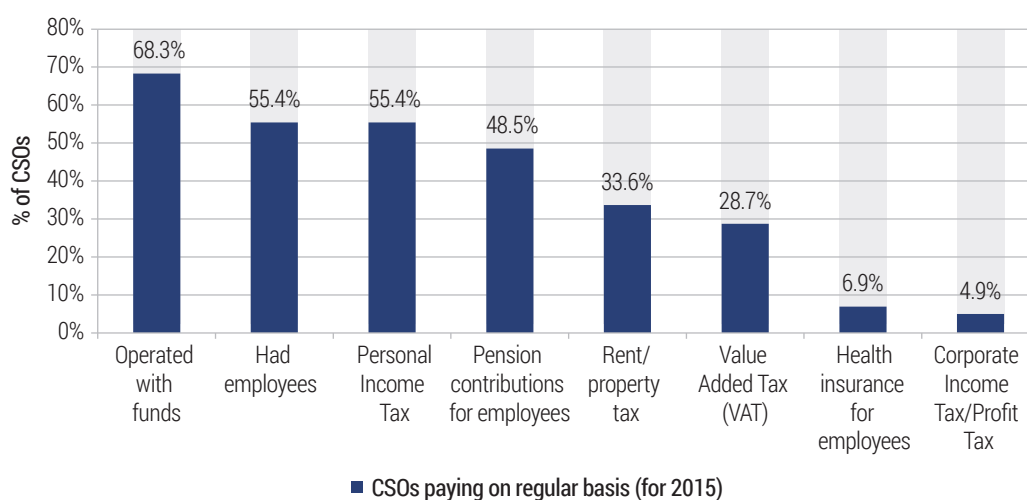
While the majority of the reporting requirements are related to the existence of certain activities (i.e. if an NGO does not have any employee, no personal income tax shall be paid), the annual report to the TAK is a requirement for all registered NGOs. For 2015, 748 NGOs submitted this report.<sup>21</sup>

<sup>20</sup> In 2015, 247 NGOs had an active Public Benefit Status.

<sup>21</sup> Official data from the Tax Administration of Kosovo. July 6, 2016. Raw data. Pristina, Kosovo.

Fifty-five percent of the surveyed CSOs stated that they pay personal income tax, 49% pay pension contributions for their employees, 34% pay rent or property tax and 29% Value Added Tax (VAT), whereas 49% pay their share of pension contributions as employers. From those who do not pay any of the above taxes, the vast majority fall in the categories that do not partake in activities with corresponding tax obligations, such as: all volunteer organizations; organizations not receiving or accruing income; organizations not active during the last year; or recently established organizations.

On the other hand, the survey shows that employees in the civil society sector remain largely without coverage in terms of social security. While the pension contribution is a legal obligation and is paid by the majority of CSOs for their employees, only 7% of the surveyed CSOs claimed that they cover health insurance for their employees. With no functional state health insurance, the only available possibilities is private insurance. Due to the dominance of project specific funding in the civil society sector, few CSOs have sufficient funds to cover private health insurance for their employees. The same problem applies for the benefits regarding maternity leave deriving from the Labour Law in Kosovo,<sup>22</sup> as well as for half of the pension contribution that the employer is required to pay (in this case, the NGO).



(Fig.9: CSO Financial activity vs. tax payment – Source: CSO Survey)

When asked whether they generally report to the Tax Administration of Kosovo, more than half of the CSOs surveyed declared that they report regularly to the TAK (67%), 11% stated they do not report regularly, whereas 22% stated that they do not report at all. The discrepancy between those who consider that they report regularly and those who actually submitted the required annual report to the TAK (which is required regardless of having any financial transaction or employee), shows a rather low level of knowledge on reporting requirements. Further, only one of the survey respondents stated they had violated a legal provision during 2015, confirming a lack of knowledge in this area.

<sup>22</sup> For more on the maternity leave and NGOs, please see the “Challenges for civil society organizations in Kosovo in implementing Labour Law provisions on maternity leave”: [http://kcsfoundation.org/repository/docs/19\\_03\\_2015\\_1341127\\_KCSF\\_Commentary\\_Maternity\\_Leave\\_in\\_CSO\\_sector.pdf](http://kcsfoundation.org/repository/docs/19_03_2015_1341127_KCSF_Commentary_Maternity_Leave_in_CSO_sector.pdf)

The reporting behaviour, perceptions and experience with the TAK are rather diverse among CSOs in the northern part of Kosovo. A number of organizations reported communication as a major barrier in their experience with the TAK. The invitations from the TAK do not always reach the CSOs in this region and the CSOs report that the TAK officials do not speak Serbian, requiring the CSO representatives to come to Prishtina several times before they manage to fulfil their obligations with this institution. While a number of CSOs claimed to cover only VAT, a few others claimed during the focus groups that they pay only contributions for their employees. The tax permit and proof that taxes have been paid as an eligibility criterion for receiving donor funds seems to be an effective mechanism for compliance with tax obligations.

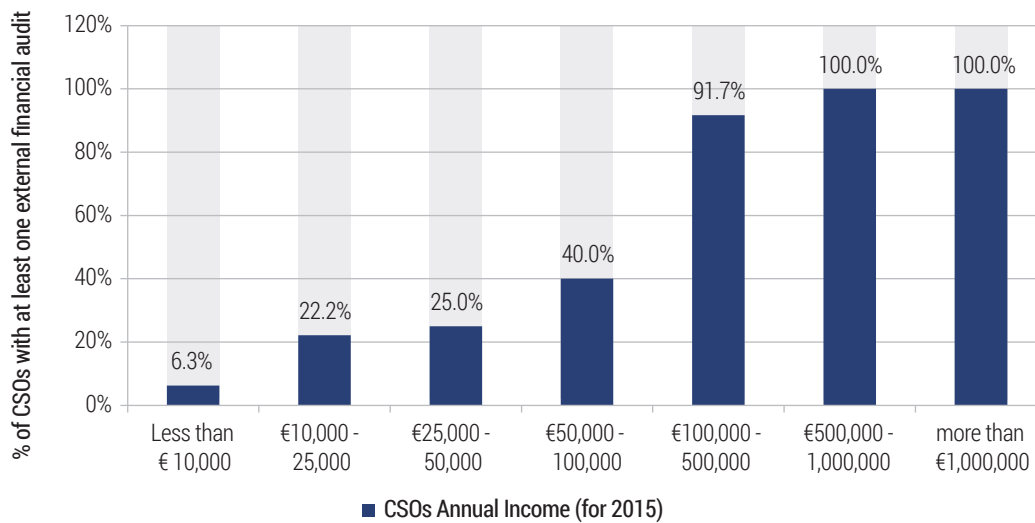
## Financial audits

In parallel to general legal requirements to report to the state authorities, CSOs holding Public Benefit Status with an annual turnover of over 100,000 EUR are the only category required to conduct external financial audits of their financial operations. Similar to previous studies, the CSO Survey found that this obligation is exceeded and many CSOs that do not have this legal requirement actually conduct external financial audits.

The survey shows that only a quarter of surveyed CSOs have completed one or more external financial audits during 2015. Ten percent of the surveyed CSOs reported that they had one external financial audit during 2015, whereas 7% had two. While this percentage might seem very low, the percentage of organizations without a financial audit (76%) corresponds with the percentage of CSOs with annual turnover less than 100,000 EUR (71.7%). The disaggregation of having had an external financial audit with the annual income level of the CSOs during 2015 shows that more than 92% of CSOs declaring annual income of more than 100,000 EUR have actually conducted an external financial audit, with a couple of larger ones having undergone even six or nine financial audits during 2015.<sup>23</sup>

---

<sup>23</sup> Commonly, well-established CSOs commission external financial audits both for the entire CSO operation as well as for large-scale projects/programs implemented by CSOs.



(Fig.10: CSOs with at least one external financial audit by annual turnover of CSOs for 2015 – Source: CSO Survey)

Survey data also show that CSOs receiving funds from foreign donors are more likely to have external financial audits, while the least likely to have external financial audits are those receiving funds from local institutions or municipalities.

## Economic activities of NGOs

In pursuing the necessary financial means to fund their daily activities, CSOs are free to fund-raise from different sources, including from their own economic activity. In reality, this is considered as one of the most sustainable types of funding, as it allows the CSOs the necessary flexibility in adapting its funds to the dynamic needs of their target groups and beneficiaries.

The legal framework allows CSOs to engage in economic activities, as long as the income generated from the economic activities is used for advancing the mission of the CSO.<sup>24</sup> While the type and level of economic activity have no limitations, there are issues when it comes to tax treatment of economic activities of CSOs. The new Law on Corporate Income Tax adopted in September 2015 has not changed the exemptions from the profit tax for related economic activities. A set of different criteria in this law create an ambiguous legal situation for the tax treatment of CSO income from economic activity. Based on the law, and interpretations from the tax authorities, all CSO income from economic activity is taxed with a standard income tax of 10%, unless the economic activity is exclusively related to the CSOs' public purpose and is within a reasonable level of income.<sup>25</sup>

<sup>24</sup> On Freedom of Association in NGOs, Law 04/L-057, art. 16.4

<sup>25</sup> Monitoring Matrix on Enabling Environment for Civil Society Development: Kosovo Country Report 2015. Report. Kosovar Civil Society Foundation. KCSF, 2016.24

In general, only a small number of CSOs perform some kind of economic activity; only 17% of the interviewed CSOs reported performing economic activity during 2015. Some of them generate income by selling services (whereby the client pays for the services, e.g. research services, evaluation services, training for business plans/project proposals, renting offices, renting out equipment, etc.) (11% of CSOs) or selling products of the organization (5%). Three quarters of these CSOs reported that they did not encounter any obstacle in performing their economic activity; 5 CSOs complained about the complicated and often times inadequate treatment of the tax system; 3 complained about the reporting and monitoring rules and 2 complained about the numerous administrative requirements and the complicated accounting rules.

Nevertheless, the low level of knowledge on the tax legislation is confirmed also when it comes to the tax benefits for CSOs, as half of the CSOs interviewed stated they do not know the tax benefit procedures. The rest consider tax benefit procedures as complicated or somewhat complicated, and only 6.9% consider them to be easy.

## Incentives for CSOs' donors

In general, tax exemptions for CSOs and their donors are very low, despite some positive legal provisions existing, in particular related to CSOs' private donors. The new Law on Corporate Income Tax and the Law on Personal Income Tax have increased tax deductions for corporate or individual donations from 5% to 10% of their taxable income, if those donations are for humanitarian, health, educational, religious, scientific, cultural, environmental protection or sports purposes. The eligible recipients of donations include NGOs and any other non-commercial organization that directly perform activities in the above-mentioned areas. This tax benefit is provided only for a selected number of publicly beneficial activities, which is far less than the list of public benefit activities in the basic NGO Law. As a result, the Public Benefit Status does not have any role in receiving such benefits, making the fiscal legislation inconsistent with the public benefit status of the basic NGO Law.

According to the official data from the TAK, during 2015 there was only one case of a corporate donor requesting tax exemption for a donation to a CSO. The amount of this donation was 700 EUR.<sup>26</sup>

Similar results derive from the survey, which shows that very few CSOs benefited from tax incentives during 2015. The most frequently reported exemption (the Value Added Tax reported by nine CSOs), in reality does not derive from having the status of an NGO but rather from the exemption of specific foreign donors (i.e. EU funds or bilateral funds). Neither NGOs nor private businesses that operate with these foreign funds pay any VAT. Other tax incentives remain extremely low: one CSO each reported to have benefited from exemption from rent or property tax, municipal taxes, custom taxes and incentives for their private donors.

---

<sup>26</sup> Official data from the Tax Administration of Kosovo. July 6, 2016. Raw data. Pristina, Kosovo.

Financial incentives	Number of organizations that have benefited from the tax incentive
Corporate Income Tax/Profit Tax exemption	0
Exemption from rent/property tax	1
Exemption from Value Added Tax (VAT)	9
Exemption from municipal taxes	1
Exemption from custom taxes	1
Tax incentives for organizations' private donors	1
Tax incentives for passive investment	0

**(Fig.11: CSOs benefiting from tax exemptions during 2015 – Source: CSO Survey)**

The survey shows that CSOs also lack awareness about the tax benefits for donors: 57% of the surveyed CSOs declare that they have no knowledge on the tax incentives for CSOs' donors, whereas 18% stated that there are no tax incentives for donors in Kosovo.

## Public benefit status

The Law on Freedom of Association in NGOs regulates the establishment and registration of non-governmental organizations either for public benefit or mutual interest, in order to pursue any legitimate aim which is not against the applicable law in Kosovo. In principle, the mutual benefit NGOs are established primarily to protect and advance the interest of their members, which does not necessarily imply a public interest. On the other hand, public benefit NGOs are organized and operate to undertake as their principal activities at least one of the activities listed in this law, which are considered to serve the benefit of the public. Public Benefit Organizations are entitled to tax and fiscal benefits in accordance with the applicable law, except those that are essentially charges for municipal public services.<sup>27</sup> To ensure that the benefits are properly used, they are obliged to report to the NGO Department on an annual basis, both on their financial management and activity.<sup>28</sup> An NGO can apply for public benefit status upon initial registration or later.

During 2015, 247 NGOs had an active public benefit status.<sup>29</sup> Since the inception of the NGO Registration in 1999, 496 organizations have had this status revoked. Although many other NGOs operate in areas which are considered to be beneficial to the public, many of them decide not to obtain this status. Almost half of surveyed CSOs which have no Public Benefit Status stated that the reason for not applying for such a status is the lack of benefits

<sup>27</sup> On Freedom of Association in NGOs, Law 04/L-057, art. 17. 4.

<sup>28</sup> On Freedom of Association in NGOs, Law 04/L-057, art. 18

<sup>29</sup> Monitoring Matrix on Enabling Environment for Civil Society Development: Kosovo Country Report 2015. Report. Kosovar Civil Society Foundation. KCSF, 2016.15

in practice. Furthermore, a third of the surveyed CSOs responded that they did not know why they do not have this status, implying that they might be uninformed about this possibility.

While the basic NGO law includes provisions guarantying tax and fiscal benefits, the special tax legislation provides few exemptions. In theory, one of the main exemptions should have been tax benefits for private donors donating to such organizations. In reality, the tax exemptions deriving from the Law on Corporate Income Tax and the Law on Personal Income Tax are not related to the public benefit status, but rather to a limited number of public benefit activities. As a result, the benefits are provided also for donations to other types of organizations, if they are active in one of the listed areas of activities. The provisions on economic activities are very ambiguous and hardly produce any effect in practice for Public Benefit Organizations. With few incentives related to the status, but accompanied by stricter reporting requirements, public benefit status has become more of a prestige than a benefit.





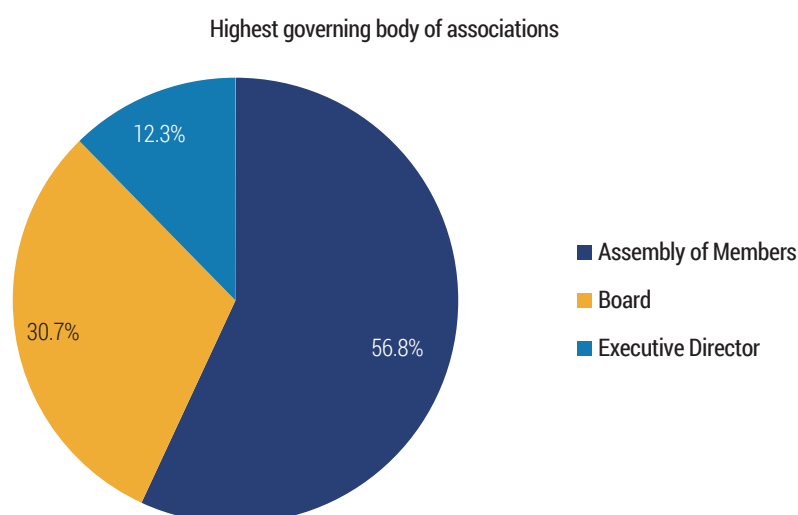
## Internal governance and capacities

The vast majority of CSOs are registered associations, but not all of them respect the legal requirements for their highest governing body. Less than half of CSOs confirm having internal governance documents, with larger CSOs having more established internal regulation. Around half of the CSOs have websites or Facebook pages where they can publish relevant information for their work. While the majority of CSOs have few or no staff, the civil society sector still represents an important generator of employment in Kosovo. Although their staffs are assessed to have solid capacities, CSOs face significant challenges in hiring qualified staff. Unlike other sectors, the gender representation of staff employed by the civil society sector is almost balanced between men and women. Short-term funding results in poor staff retention. Domestic networking and intra-sectoral communication is much more developed compared to international networking and communication.

## Leading bodies

As Kosovar legislation only recognizes two types of NGOs, associations and foundations, there are few legal requirements on internal governance in place for these organizations. As membership organizations, associations are required to have the Assembly of Members as their highest governing body, comprised of all members of the association. The highest governing body of the foundation is the Board of Directors, appointed by the founder(s) of the foundation. The highest governing body has a number of reserved competencies, such as approval of annual reports and annual plans, changing of statutes and founding acts, election of the highest officials of the NGO as well as merging, splitting or dissolution of the NGO. Other general legal requirements on internal governance are related to the conflict of interest and prohibition of engaging in political campaigning and elections.

The majority of the interviewed CSOs (90%) reported to be registered as associations, whereas the remaining claimed to be foundations. Nevertheless, despite clear legal requirements, around 53% of the surveyed CSOs reported the Assembly Members as their highest governing body, 35% declared the Board, whereas 12% stated that it is the Director of the organization. An interesting finding is that both types of NGOs have reported different highest governing bodies compared to legal requirements. From all surveyed associations, only 56.8% declared that their highest governing body is the Assembly of Members, while 30.7% declared the Board and 12.5% declared the Executive Director. Among foundations, 20% have declared the Assembly of Members as their highest governing body. The majority of CSOs with their highest governing body different from legal requirements are smaller grass-root CSOs, however, this occurrence is also present among well-established and international organizations. Similar results were found also in the Kosovar Civil Society Index 2014, where only 60% of associations have declared the Assembly of Members as their highest governing body.<sup>30</sup>

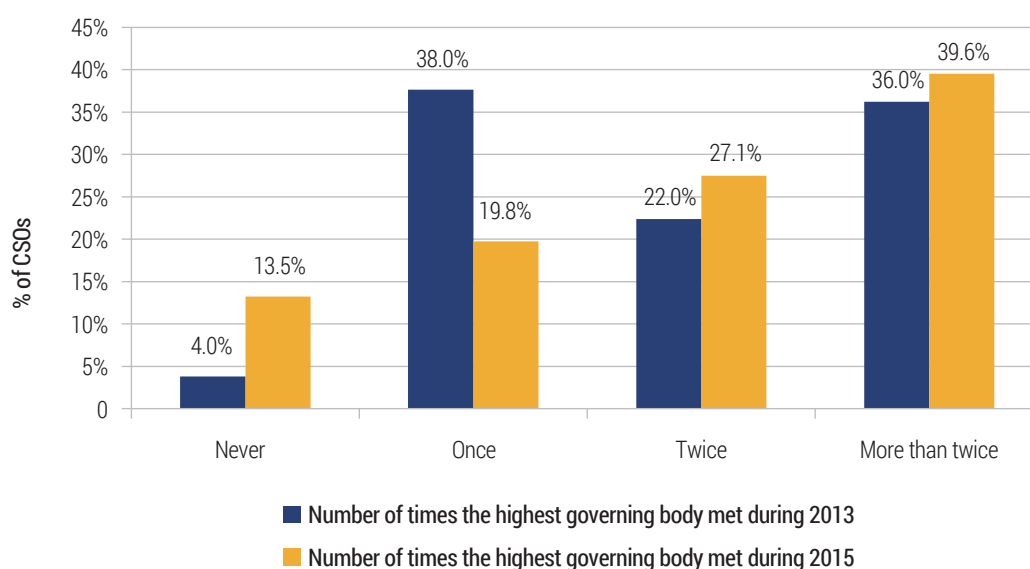


(Fig.12: Highest governing bodies declared by associations – Source: CSO Survey)

30 The Kosovar Civil Society Index. Report. Kosovar Civil Society Foundation, 2014. 14.

## Decision-making

It is a legal requirement that the highest governing body of a NGO meets at least once a year, in order to approve the annual reports of the previous year and the annual plans for the next year. The survey shows that the vast majority of CSOs (86.5%) have fulfilled this obligation, with two quarters even surpassing it by declaring two or more meetings of their highest governing body during 2015. Nevertheless, around 14% of the surveyed CSOs stated that their highest governing body did not meet at all during 2015. This represents a slight increase from the Kosovar Civil Society Index 2014, when only 4% of CSOs surveyed did not fulfil this legal obligation. Since there is a higher number of smaller and less active CSOs part of the 2015 survey, this is not a surprising difference.



(Fig.13: Frequency of meetings of highest governing bodies during 2015 – Source: CSO Survey)

Although not a legal requirement, establishing a division of powers is a commonly accepted practice in the civil society sector. This implies that the executive staff, i.e. Executive Director, should not be part of the foundations' Board of Directors. This principle is applied by the majority of foundations, as 77% of them stated for the survey that none of the Board Members is employed in the organization. However, 14% of the surveyed CSOs declare that their Executive Director is a member of the Board, whereas 7% stated that other Board Members are employed in the organization.

Nevertheless, when asked who makes the key decisions in the organization, the survey findings show that a lot of organization leaders lack knowledge about the roles and responsibilities of the highest governing body in the organization. Among associations, 41% stated that the key decisions in their organizations are made by the Board, whereas only 40% of them by the Assembly of Members. Very few organizations registered as foundations replied to this question; out of nine, six stated that the key decisions in their organization are made by the Board, one by the Executive Director and two by staff of the organization.

These findings demonstrate that despite the very few legal requirements on internal governance, a significant number of CSOs in Kosovo still need to increase their understanding of the requirements and principles of internal governance.

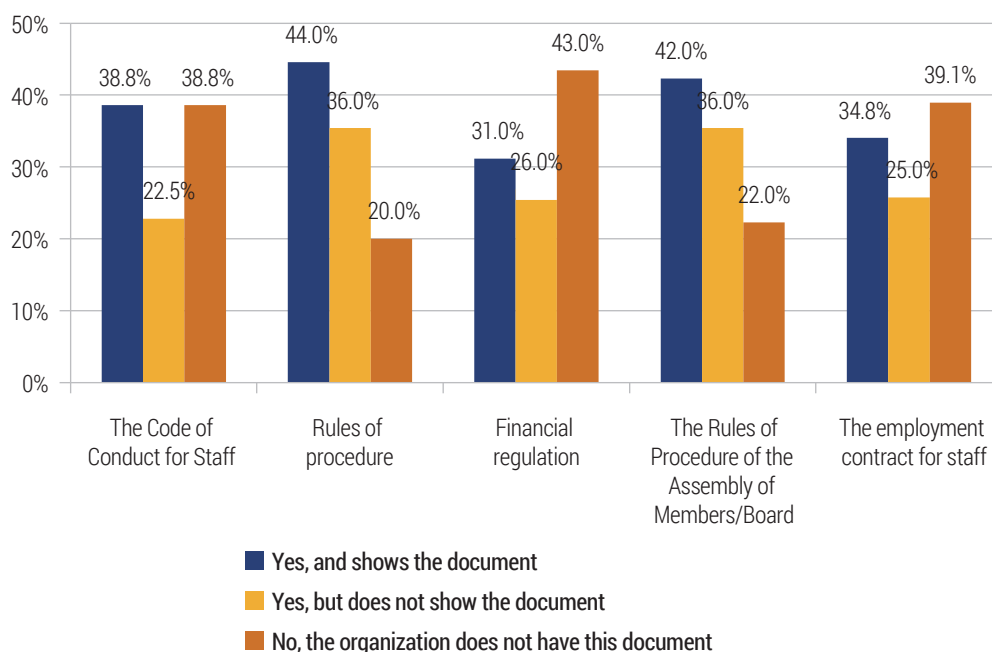
## Internal documents and transparency

The level of internal regulation of a CSO depends on the size of the organization and the types of activities it engages in. Well-established organizations with larger operating budgets and many employees are expected to have more formal documents and procedures for their daily operations, while smaller ones do not necessarily need to impose burdensome and bureaucratic procedures on their operations. A number of questions from the organizational survey shed more light on the level of formal documents and fulfilment of other obligations by the civil society sector in Kosovo.

A large share of the surveyed CSOs stated that they do not have a Code of Conduct for Staff (39%); a Financial Regulation document (43%) or employment contracts for staff (39%). Twenty percent stated that they do not have Rules of Procedure and 22% stated that they do not have Rules of Procedure for the Assembly of Members. Still, a significant part of those claiming to have specific documents did not present them to the enumerators during the field survey: 39% presented the Code of Conduct for Staff, 44% the Rules of procedure, 31% the Financial Regulation, 42% the Rules of Procedure of the Assembly of Members/Board and 35% presented the template of employment contracts for their staff.

The cross-tabulation of the respondents demonstrates that the level of formalization and possession of internal documents corresponds to the size of the CSO. The majority of those who do not possess or did not present the internal documents fall in the category of small CSOs in terms of turnover and number of staff.

Such findings are also present when looking at the level of reporting to the TAK. With 11% stating they do not report regularly and 22% stating that they do not report at all, the majority of them had no funds or staff employed in 2015.



(Fig.14: Existence of internal documents – Source: CSO Survey)

With advancement of technology and ICT, CSOs are expected to increasingly use new methods to communicate their work to beneficiaries and the general public. While larger CSOs can afford the costs of designing and maintaining a specific website, smaller ones can use free social platforms instead. The results of the survey show that there is significant room for improvement in terms of making the work of CSOs easily accessible to the public. Out of the 101 NGOs interviewed, 28.7% have both an official website and at least one social network page. While 19.7% of them have either a Facebook page or an official website, 51.5% lack both. Five percent have additional social network pages, besides Facebook.

## Staff

The civil society sector operates with considerable funding and employs a significant number of people. Despite this, the state does not recognize the economic value of the sector and does not adequately address the needs of the sector through legislation and policies.

The current legislation does not have any specific provisions on CSOs, which face the same requirements as other employers. In theory, equal treatment might be considered a good state of affairs for the sector. However, due to many specificities of the sector, in particular related to its funding modalities, specific needs are not adequately addressed. To illustrate this, the provisions on maternity leave, which are obligatory for all employers, are highly problematic for CSOs. Another challenge identified by CSOs with regards to labour legislation is project-based contracts for their staff, which do not necessarily cover all potential

benefits for employees guaranteed by the Labour Law, in particular those related to the duration of employment.<sup>31</sup>

Similarly, CSOs are not part of any state incentive programs for employment. Only 5 CSO respondents benefited from state-supported employment programs during 2015. The remaining 95% of the organizations stated that they had not benefitted from these programs due to: *existing ones not being targeted towards CSOs (18%), they have not employed new staff during 2015 (36%); they have no knowledge of government employment programs (41%).*

Although there is a lack of systematic collection and publishing of civil society related data from public institutions, upon KCSF request some data on employment in CSOs was made available from the KPST and TAK. Despite the varying numbers between the two sources and lack of details regarding the type of employment, it is evident that the civil society sector generates a significant number of jobs and employs a noteworthy percentage of the workforce in Kosovo. According to the KPST, during 2015 CSOs in Kosovo paid pension contribution for 10,466 individuals.<sup>32</sup> With 285,914 active contributors during 2015,<sup>33</sup> the civil society sector counts around 3.66% of total contributors to the KPST. From this number, 3,329 contributors were employed by CSOs for the entire 12 months of 2015, while 4,142 have had other engagements in addition to civil society.<sup>34</sup> According to the TAK, 927 CSOs declared to have employed 6,412 persons during 2015.<sup>35</sup> Neither of the above sources could provide specific data on those employed full-time, part-time or only for a specific assignment.

The geographical distribution of individual contributors from civil society sector is generally in line with the geographical spread of registered NGOs, with Prishtina topping the list with almost 40% of contributors. The list continues with the region of Prizren (12.7%), Mitrovica (11.8%), Peja (9.4%) and other regional centres of Kosovo. Although the data received from the KPST does not include any disaggregation by specific municipalities, in the FGDs with CSOs in the northern part of Kosovo it was reported that some CSOs from this region also cover other municipalities inhabited predominantly by Kosovar Serbs.

---

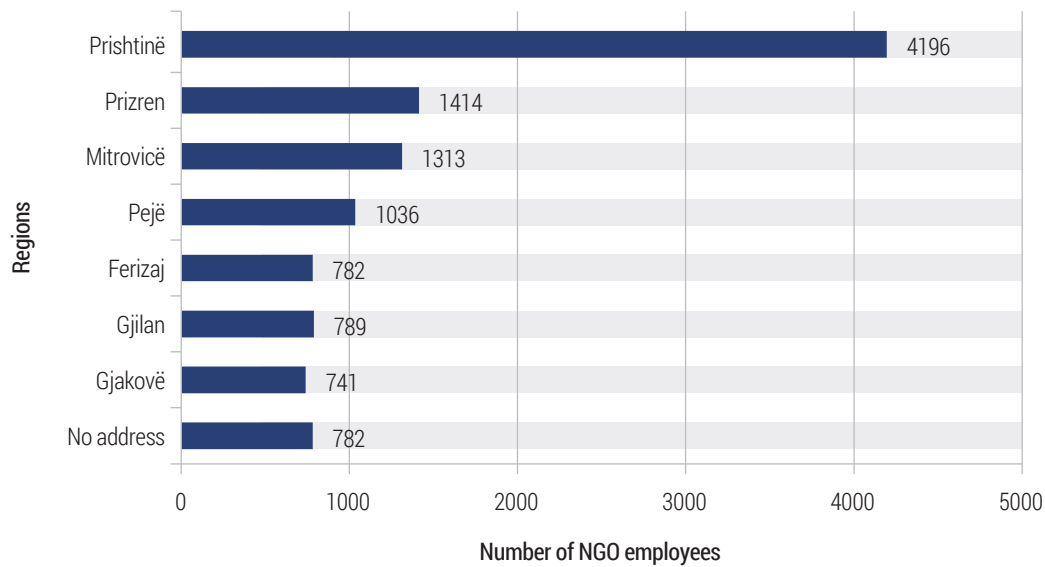
31 Monitoring Matrix on Enabling Environment for Civil Society Development: Kosovo Country Report 2015. Report. Kosovar Civil Society Foundation. KCSF, 2016.<sup>32</sup>

32 Data from the Kosovo Pension Savings Trust. May 25, 2016. Raw data. Pristina, Kosovo

33 Hatipi, Vërshim, and Jeton Demi. Annual Report 2015. Report. Kosovo Pension Savings Trust, 2016

34 Official data from the Kosovo Pension Savings Trust. May 25, 2016. Raw data. Pristina, Kosovo.

35 Official data from the Tax Administration of Kosovo. July 6, 2016. Raw data. Pristina, Kosovo.



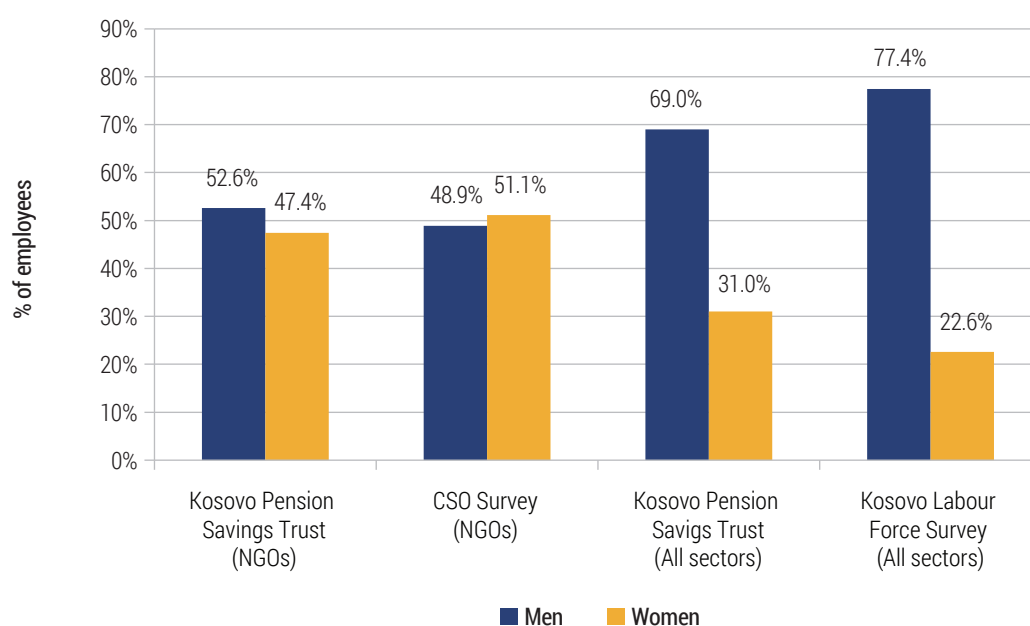
(Fig.15: Geographical distribution of NGO employees – Source: KPST)

Unlike other sectors of employment in Kosovo, including public and private, a positive trend within civil society is related to the gender composition of the sector's workforce. The KPST report for 2015 shows that the number of contributors by gender in general to Kosovo's workforce is 69% to 31% in favour of men,<sup>36</sup> while the Kosovo Labour Force Survey for 2015 shows an even greater difference, with 77.44% to 22.56% in favour of men.<sup>37</sup> In civil society, the gender representation is almost balanced; according to the KPST report for 2015 it is 52.6% to 47.4% in favour of men,<sup>38</sup> while according to the CSO Survey it is 49% to 51% in favour of women.

36 Hatipi, Vërshim, and Jeton Demi. Annual Report 2015. Report. Kosovo Pension Savings Trust, 2016. Available at: [http://www.trusti.org/wp-content/uploads/2016/05/AR2015\\_eng.pdf](http://www.trusti.org/wp-content/uploads/2016/05/AR2015_eng.pdf)

37 Kosovo Agency of Statistics. Results of the Kosovo 2015 Labour Force Survey. June 2016. 10. Available at: <https://ask.rks-gov.net/en/lm?download=1636:results-of-the-kosovo-2015-labour-force-survey>

38 Official data from the Kosovo Pension Savings Trust. May 25, 2016. Raw data. Pristina, Kosovo.



(Fig.16: Gender distribution of employees in civil society and other sectors in 2015 – Source: KPST)

Despite the overall balanced representation in civil society, cross-tabulation of the CSO Survey results<sup>39</sup> show that women are represented slightly less in CSO management structures, while they appear to be underrepresented to a larger extent at the level of Assembly of Members and Boards of organizations.

Such differences between sectors do not exist when it comes to the average income. Although similar difficulties exist in assessing this indicator due to lack of systematic data collection, some estimations can be made from the available data. This is based on the average amount of pension contributions of employees in specific sectors, and the fact that the pension contribution of employees is equal regardless of the sector of employment. Calculating the average amount of pension contribution to the KPST, the average income of those employed in civil society sector for 2015 is 482.3 EUR, while the same in the public sector is 473.1 EUR.<sup>40</sup>

## Staff recruitment

Almost three quarters of the interviewed CSOs stated that educational qualification for the corresponding field and work experience in the respective field are two of the most important criteria they take into account when employing new staff. References from reliable organizations or partners were cited as important recruitment criteria by 44% of the interviewed CSOs, whereas work experience in the civil society sector seems to be an important criterion

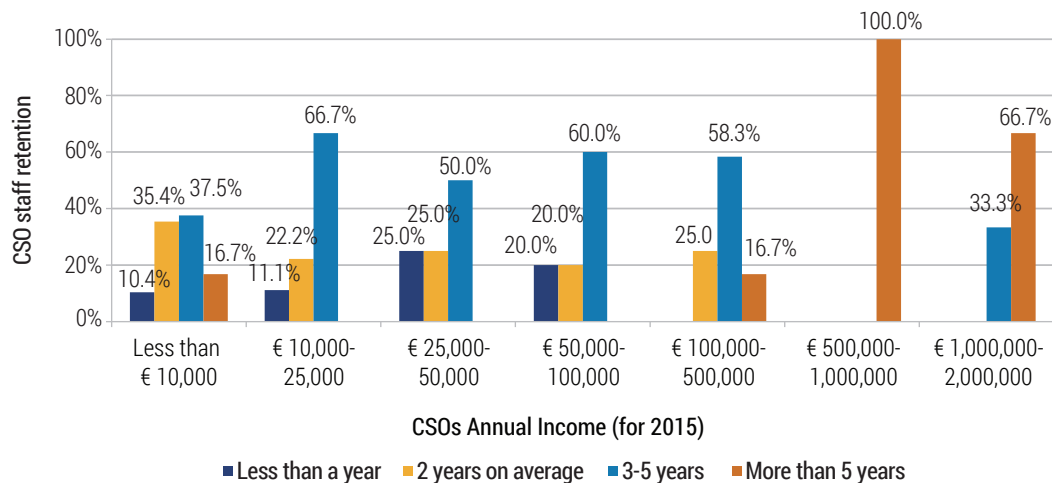
<sup>39</sup> The figures were calculated by drawing aggregates of the sum of all numbers provided by each organization in the CSO Survey. A few outliers with large numbers of members and volunteers were removed for the purpose of accuracy in calculations.

<sup>40</sup> Data from the Kosovo Pension Savings Trust. Jul 13, 2016. Raw data. Pristina, Kosovo



among 40% of the CSOs. Another 4% of the CSOs listed the following as important criteria for hiring new staff: the ability to learn quickly, communication skills and knowledge of foreign languages.

Further, 44% of the CSOs stated that their staff work in the organization for an average of 3-5 years, 28% an average of two years, whereas 16.3% more than five years. A closer look at the categories of CSOs by staff retention shows that the CSOs that implement longer-term projects typically have longer staff retention, and the same is true for CSOs with a higher income that can afford to retain their staff for a longer period of time. Nevertheless, it is important to note that the definition of CSO staff does not necessarily mean that the latter are paid regularly nor working solely for the respective CSO. This is particularly true for those CSOs with lower income, where those engaged with the CSOs (i.e. the Executive Director or others) deal with the organization on a voluntary basis and are paid only occasionally, when a specific project or initiative is funded. This directly increases the level of the staff retention within the group of smaller and low-income CSOs, despite many of them not being paid for their work.



(Fig.17: Staff retention by the annual turnover of CSOs for 2015 – Source: CSO Survey)

The majority of CSOs in the northern part of Kosovo employ young local staff, from within the region. Even though the majority of the CSOs participating in the focus group discussion in this region agreed that there is sufficient supply of highly educated labour in the region, many CSOs stated that they have to hire staff from Serbia as the applicants for jobs in the northern part of Kosovo do not have sufficient experience. Retention of staff was also raised as a major issue due to low or no salaries in the sector.

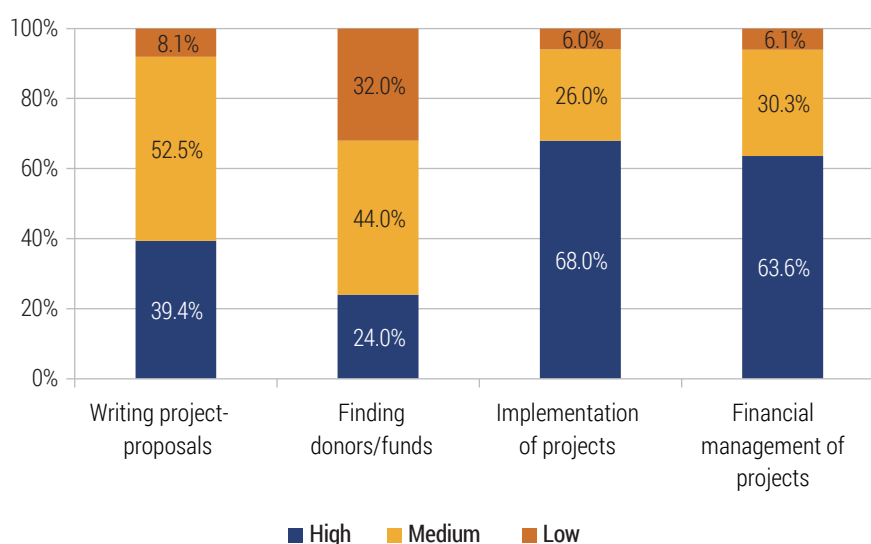
## Internal capacities

For more insight on the main skills necessary for the operation of CSOs, in addition to the self-perception of CSOs, the survey was extended to the main foreign donors supporting the civil society sector in Kosovo and a number of large networks, both at the national and local

level. Interestingly, both CSOs themselves and the foreign donors perceive CSO staff capacity as high. On the other hand, networks have a more negative assessment of the capacities of their members. The positive assessment from foreign donors may be explained by the fact that these donors tend to cooperate mostly with larger and more well-established CSOs, and are not exposed to the largest part of the sector i.e. small CSOs that do not receive any foreign funding. On the other hand, membership of most CSO networks is diverse and reflects the general categories of civil society in Kosovo, with smaller and grass-root CSOs being the largest group among their members.

CSOs evaluate particularly high their capacities to implement projects (68%) as well as to manage them financially (64%). Securing funds on the other hand is perceived to be more problematic, as 32% of the interviewed CSOs stated that their organization has low capacities to find donors and funding, with only 39% of the interviewed CSOs stating that they have high capacities to write project proposals.

However, when asked whether their staff is prepared professionally for their organization's scope of activities, generally CSOs consider their staff to be professional.



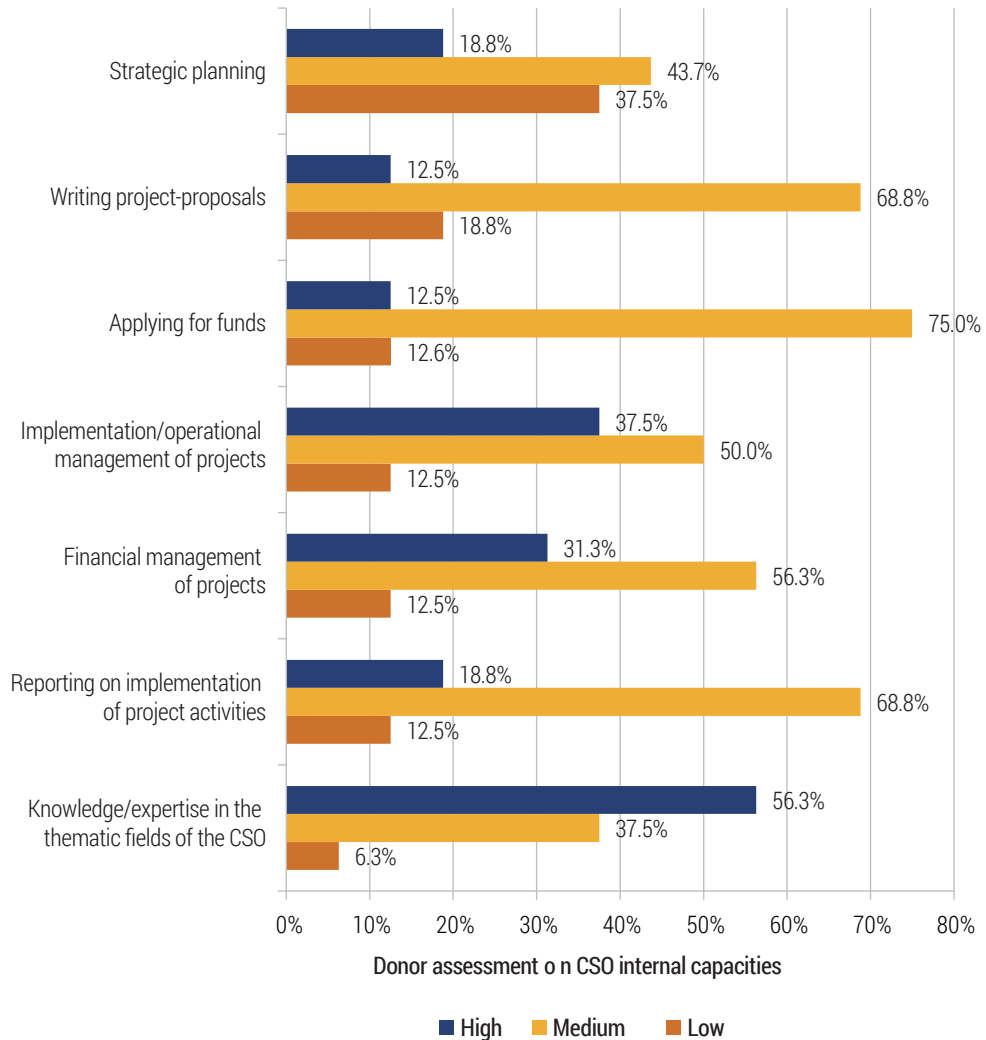
(Fig.18: Self-assessment of the CSO internal capacities – Source: CSO Survey)

CSOs were also asked to list the three main strengths and weaknesses of their staff. The aggregation of answers in the table below shows foreign languages (most importantly English), drafting project proposals and resource mobilization, professional experience and project management as very important for working in the sector. Management, professionalism, professional experience, communication skills, writing (both project proposals and research reports/publications), training skills, knowledge of foreign languages and research skills are all considered as strengths of staff working in the civil society sector by a considerably large number of the CSOs interviewed. A similar list, lack of knowledge of foreign languages, ability to mobilize resources (including drafting project proposals), lack of management and lack of professional experience are considered as weaknesses of civil society sector employees by a large number of the CSOs surveyed.

Strengths	Number of CSOs	Weaknesses	Number of CSOs
Management (namely project management)	28	Knowledge of foreign languages (most importantly English)	31
Professionalism	27	Resource mobilization	14
Professional experience	27	Writing project proposals	8
Communication	19	Management	6
Writing (project and publications/reports)	17	Lack of professional experience	6
Training	11	Teamwork	5
Knowledge of foreign languages (English, German)	10	Computer and/or Internet skills	5
Research skills	10	Communication	4
Teamwork	9	Lack of professionalism	4
Organizational	9	Advocacy and lobby	3
Motivation	8	IT	3
Lobbying and advocacy	7	Lack of motivation	3
Education	5	Networking	3
IT	5	Communication	3
Network	3	Commitment	2
Finance skills	2	Training skills	2
Research	2	Being on time	1
Operational	2	Donors	1
Transparency	2	Relevant experience	1
Punctuality	2	Finance	1
Efficiency	1	Research and analysis	1
Fieldwork experience	1	Old age	1
Multi-tasking	1	Volunteering	1
Positivity	1	Multi-tasking	1
Resource mobilization	1	Lack of adequate education	1
Auditing	1	Ability to work individually	1
Trust	1	Young age	1
Flexibility	1	Monitoring	1
Young age	1	Lack of initiative	1
Commitment	1		
Re-granting	1		

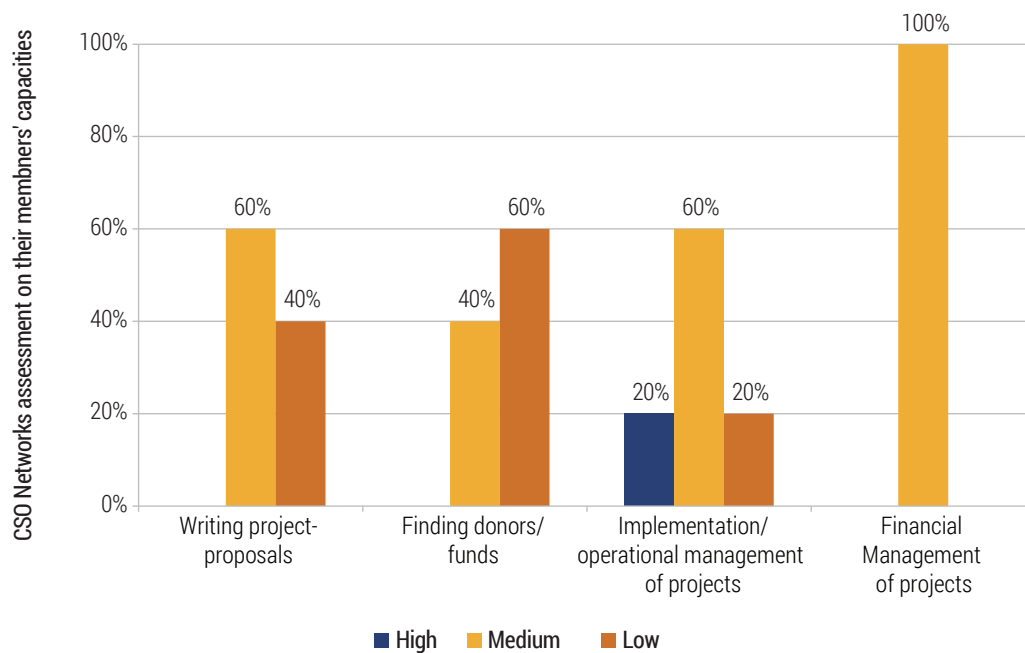
(Fig.19: Self-assessment on main strengths and weaknesses of CSO internal capacities – Source: CSO Survey)

CSOs in the northern part of Kosovo commonly link the human resource capacities with their effectiveness in resource mobilization. The ability to advocate for funding, having contacts in institutions and project proposal writing were cited as the three most important skills for CSOs in the focus group discussions with the Serbian CSOs in the northern part of Kosovo.



(Fig.20: Foreign donor assessment of CSO internal capacities – Source: Donor Survey)

Foreign donor agencies have a generally positive perception of CSO capacities on different activities. The main strength of civil society, according to foreign donors, appears to be the CSO knowledge and expertise in thematic fields, with positive assessment also of implementation and operational management of projects, including financial management of projects. The opinion regarding strategic planning is less positive; 38% of the foreign donors shared the opinion that CSOs have low capacities for strategic planning.



(Fig.21: Assessment of CSO networks on internal capacities of their members – Source: Networks' Survey)

The interviewed CSO networks were less positive about the capacities of their CSO members. Sixty percent think that their CSO members have low capacities to find donors and 40% think that their members have low capacities to write project proposals. Implementation of projects and financial management of projects seem less problematic; all the interviewed CSO networks stated that their members have medium capacities for financial management of projects, and 60% think that their member organizations' capacities for implementation of projects are at a medium level.

The FGD with smaller CSOs and domestic organizations revealed some interesting issues with regard to the capacities of the CSO staff. First, it was a common opinion that there are few available individuals well prepared for the needs of CSOs and recruiting professionals is a big challenge. According to the participating CSOs, in particular smaller ones, they are much more demanding when recruiting senior staff, something that is also a donor requirement. However, problems arise with mid-level and junior staff that are often not equipped with sufficient knowledge and skills to perform the required tasks. When they gain more experience, they are easily attracted by and migrate to bigger CSOs. The smaller CSOs are also reluctant to ask higher salaries for their staff due to the risk of not receiving donor funds. By doing this, their limited staff often end up working on many projects in parallel,

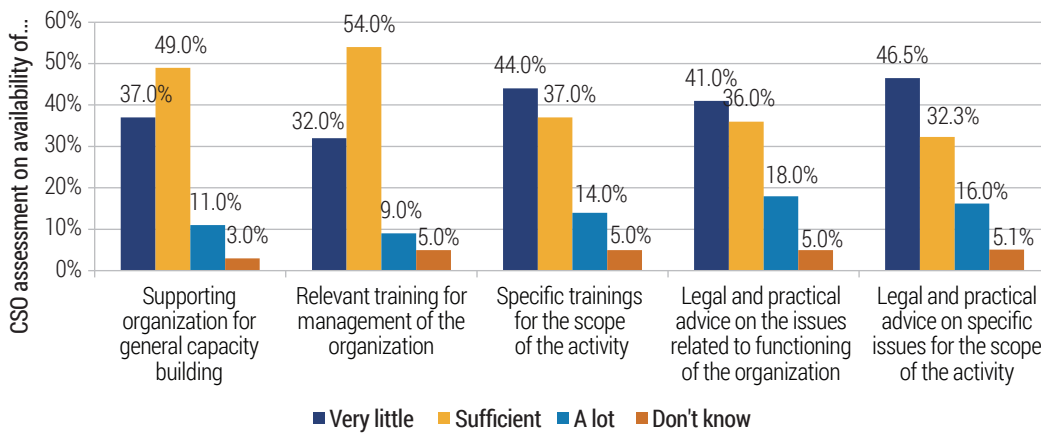
thus damaging the quality of the work and reducing the performance of the organization. In addition, the FGD participants also emphasised the double requirement for a successful professional in civil society sector; the ideal candidate should have both thematic expertise and management experience. With most of the thematic experts lacking management experience and vice versa, there is a deficit in the number of individuals who possess both, and the existing ones are very difficult to attract. Last but not least important, the FGD participants raised a common problem within the civil society sector, which is hiring external consultants for writing specific project proposals. This was seen as problematic in two aspects: 1) often the project proposals written by external consultants are very similar from one organization to the next, thus circulate in the market to most civil society donors; 2) since many external consultants are not familiar with the capacities of the respective CSO, the successful project proposals tend to face difficulties during their implementation, while on the other hand the CSO staff are not fully aware of the envisaged activities of the project.

Similar opinions were shared in the focus group discussions with donor agencies. While recognizing the limited number of available professionals in general, they also discussed the need for CSO staff to consider their role beyond a simple job. Some of them elaborated that for many fields where CSOs operate (i.e. human rights), the staff needs to believe in the mission of the organization, not only to be an expert in a particular area. According to them, while there are many civil society activists who are exemplary citizens, there are other cases where CSO employees have opposing beliefs from the mission of their organization.

## Support infrastructure for the civil society

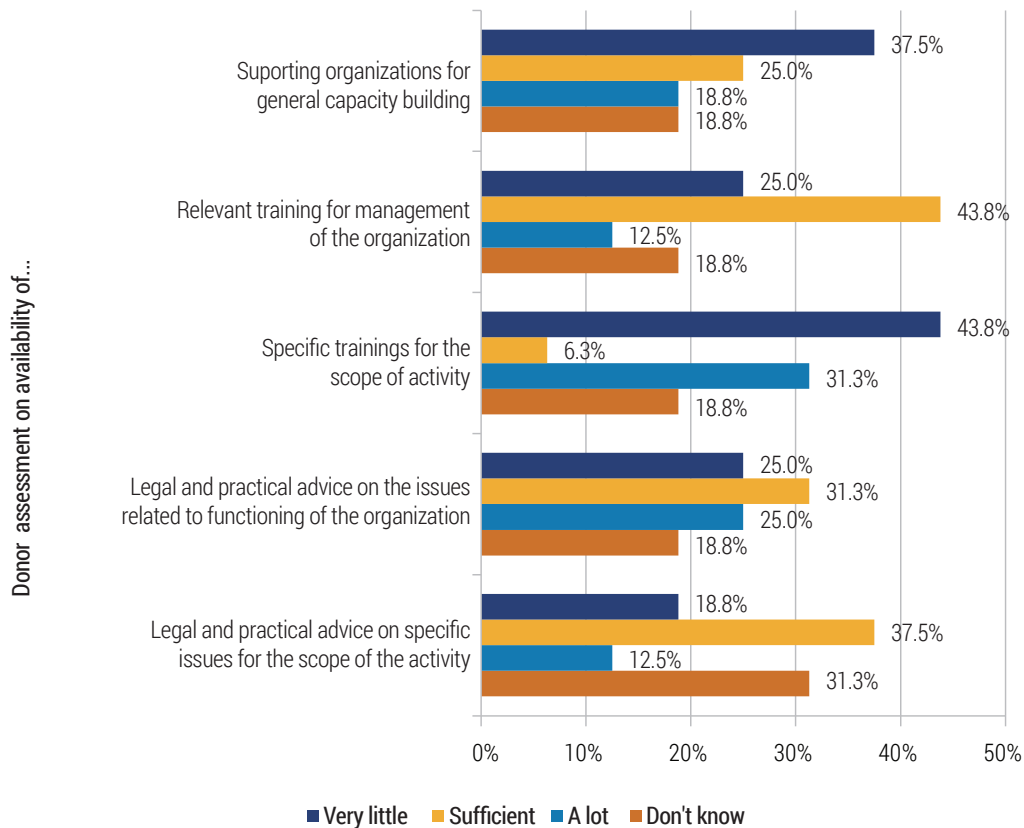
With the exception of specific thematic expertise that can be gained through formal education, most necessary skills for the non-profit sector are not part of a formal curriculum. In Kosovo, these skills can be gained mainly through informal education provided by CSOs themselves, or by working in the CSO sector or with international organizations.

According to the CSO Survey, civil society organizations in Kosovo enjoy moderate support in terms of institutions supporting organizations for general capacity-building and trainings for management of the organization. The availability of support organizations and relevant training appears to be adequate, although around one third of the surveyed CSOs consider that there are very few organizations and trainings. Specific trainings for the scope of activities of respective CSOs and legal and practical advice both on the respective scope of activities and general functioning of CSOs seems more limited.



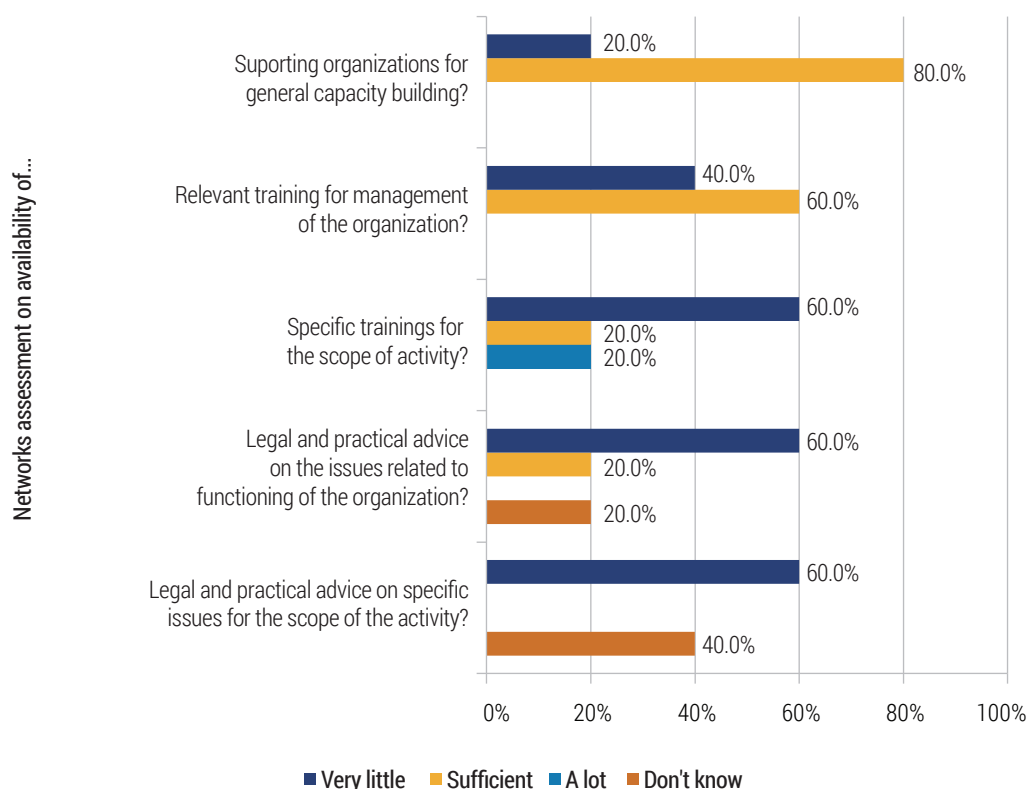
(Fig.22: CSO assessment on availability of support organizations/services for CSOs – Source: CSO Survey)

Donors have a less positive view on the sufficiency of support organizations for general capacity building and legal and practical advice. Almost 44% of donor respondents stated that there are very few specific trainings for the scope of the activity available to CSOs and 38% think that there are very few supporting organizations for general capacity building of CSOs. While a quarter stated that there are insufficient relevant trainings available for CSO management and insufficient legal and practical advice on issues related to the functioning of organizations, over a third of donor agencies were not informed about the legal and practical advice available to CSOs on specific issues for their scope of activity.



(Fig.23: Foreign donor assessment on availability of support organizations/services for CSOs – Source: Donor Survey)

The CSO networks were less positive than donor agencies about legal and practical advice available to CSOs, but more positive about supporting organizations for general capacity building and training for organizational management.



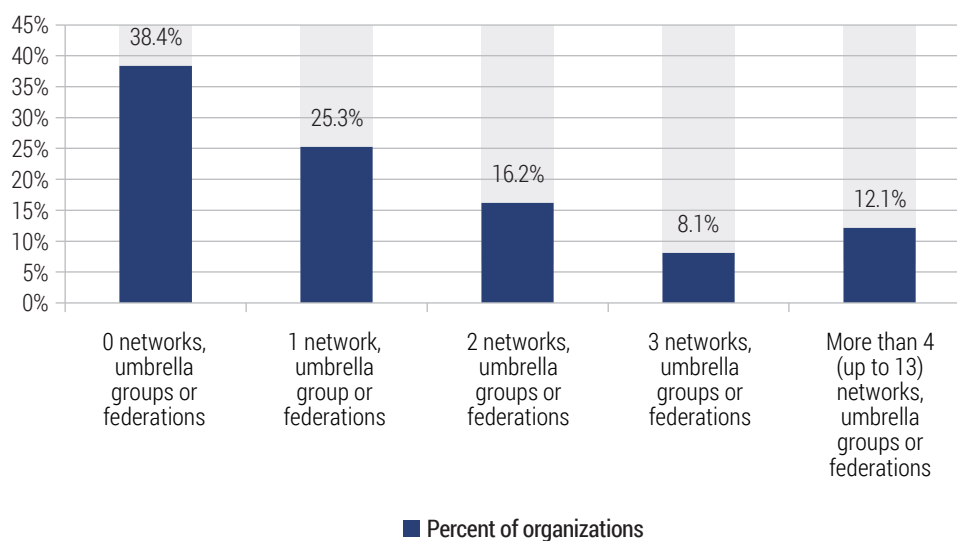
(Fig.24: Assessment of CSO networks on availability of support organizations/services for CSOs – Source: Networks' Survey)

## Networking and communication

With many CSOs sharing similar missions, networking and communication among them is a very important element in maximising the individual efforts through joint work. In Kosovo, there are a number of networks that have been active for several years now, while many Kosovar CSOs are also members of regional and international networks. Some of them are sectoral (i.e. Kosovo's Women Network, Cultural Forum or Coalition of NGOs for Child Protection in Kosovo – KOMF), others are related to specific processes (i.e. Democracy in Action, active on monitoring the elections in Kosovo), while CiviKos Platform is the single general network with the mission to structure the cooperation of civil society with public institutions.

Nevertheless, not all CSOs are members of a network. Thirty-eight percent of the CSOs interviewed stated that they are not members of any network, umbrella group or federation of organizations; a quarter stated that they are a member of one network, umbrella group or federation, whereas 12% stated that they are members in more than four networks, umbrella groups or federations of organizations.





(Fig.25: CSO networking – Source: CSO Survey)

The survey data show that the interaction between the members of CSO networks to discuss issues within the scope of the network was rather extensive during 2015. Only 16% of CSOs belonging to larger networks of organizations stated that they did not meet at all during 2015 for the purpose mentioned above; 34% stated that they met up to three times, 18% between four and six times, and 31% more than six times.

While experience with participation and registration in networks is largely positive, one finding worth highlighting, proving that very few organizations interact with CSOs from abroad operating in the same activity area, over half of the surveyed CSOs (51%) have no experience with registration and/or participation in international organization networks in their area of activities.

With formal networking being only one way of joint work, the study also analysed the level of interaction and communication between CSOs in Kosovo and abroad. The knowledge of civil society organizations about counterparts in their field of operation seems rather limited, especially outside Kosovo. Thirteen percent of them reported that they do not know any organization in Kosovo that operates in their scope of activity or is similar to them, whereas 40% stated that they do not know any organization outside Kosovo that operates in the same field or activity.

The interaction between civil society organizations operating in the same field within Kosovo is also fairly limited; 33% stated that they had not met or exchanged information (e.g. documents, reports, data, etc.) with any CSO in their area of activity during the last three months. Interaction with CSOs outside Kosovo is even more limited: 57% of the CSOs stated that they have not met or exchanged information (e.g. documents, reports, data) with any organization in the same focus area outside Kosovo during the last three months.

Among the CSOs reporting no communication with other organizations in their field who are also not part of any networks, charity organizations are the most prevalent, followed by health service providers and a few that represent very specific interests.

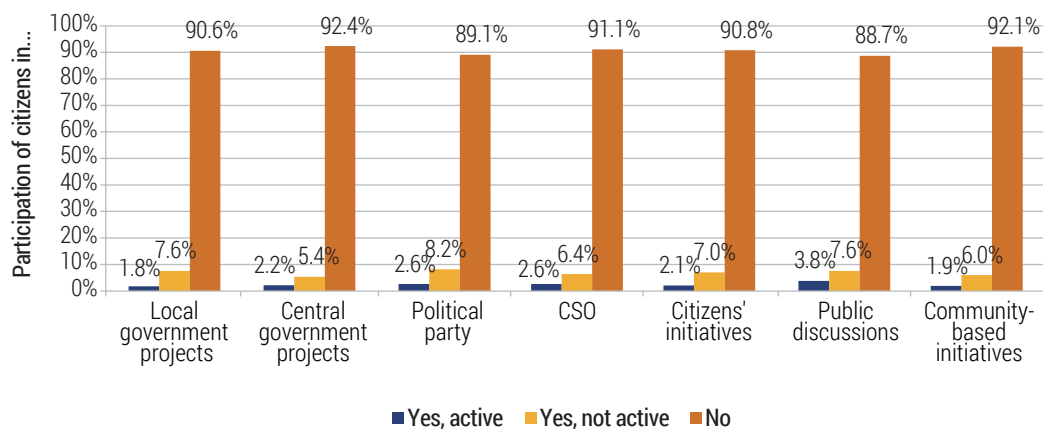


# Citizen engagement

Citizen membership in civil society organizations remains low and is part of broader citizen apathy towards civic life in Kosovo. With few exceptions, many CSOs have very few members, despite most of them being registered as associations. Greater support is present for specific issues and causes which civil society is engaged in, while more than half of citizens trust civil society and believe the sector is doing a good work. Low volunteering trends remain unchanged, with an unfavourable environment for volunteering being among the main reasons. Still, civil society has more volunteers than paid staff.

## Civic activism

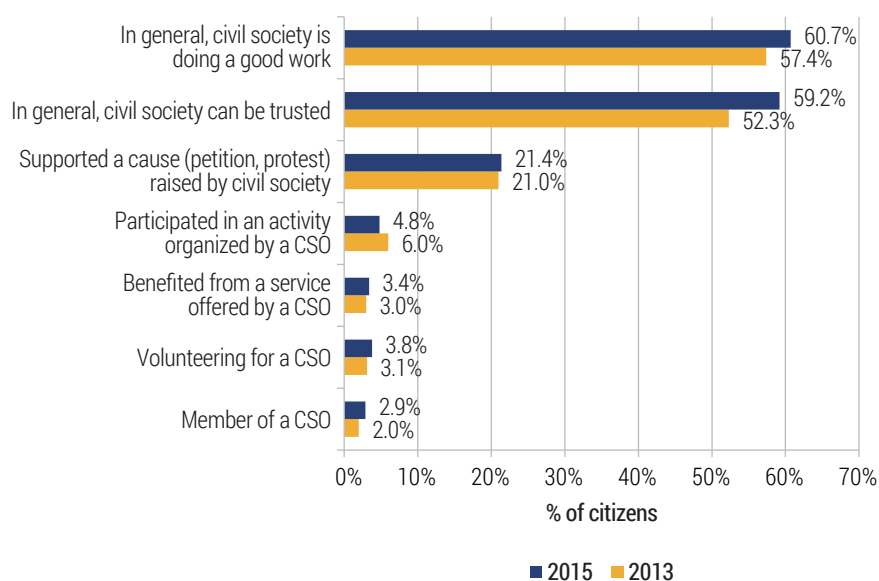
Civic activism can be expressed in a variety of forms, including but not limited to engagement in civil society. Citizens were asked whether they participated in government (local or central) projects, political parties, CSO projects, citizens' initiatives, public discussions, etc. As shown in the graph below, Kosovars' civic activism is generally low. Even when participating in different forums and initiatives, participation is rather passive. Political parties have a slightly higher percentage of inactive participants compared to civil society and citizens' initiatives, while the percentage of active participants is very similar.



(Fig.26: Participation of citizens in public activities – Source: UNDP Public Pulse)

With regard to membership in civil society, the trend of civil society being distant from citizens continues. With few exceptions, a large share of CSOs have very few members, despite most of them being registered as associations. While membership and association is not the only source of legitimacy for civil society, CSOs in Kosovo must work on strengthening their outreach and increasing the involvement of citizens in their work.

While only 2.9% of citizens declare being members of at least one CSO, there was a slight increase from 2011, when only 2% of citizens declared being members of any CSO. Additionally, few respondents reported benefiting from a service offered by civil society (3.4%) and participating in an activity organized by civil society (4.8%). Significantly higher participation can be noted on supporting civil society activities or causes, with 21.4% of citizens declaring to have supported a cause (petition, protest, etc.) raised by civil society. On the other hand, more than half of citizens trust the sector and believe that generally civil society is doing a good work. The trend for all of these categories is stable, with a slight increase for all except participation in activities organized by civil society.



(Fig.27: Citizen engagement with civil society in 2013 and 2016 – Source: UNDP Public Pulse)

The lack of civic activism may be a result of many factors, including the degrading political situation and declining belief that something can be changed by activism.<sup>41</sup> The latter was confirmed by focus group discussions with citizens, who mentioned a number of neighbourhood or university initiatives that failed due to a total lack of responsiveness from the competent authorities. After two or three unsuccessful civic initiatives, citizens lose hope and feel it is not worth being engaged in a common cause.

In addition, it is clear that the education system has a significant role to play in building active citizenship; the Kosovar education system is far behind in this area. While basic civic education is taught in Kosovo's primary and secondary schools, civic activism, critical thinking and community engagement are topics normally not taught. This is indicated by the CSO Survey that shows few CSOs believe that the education system contributes to promoting civic activism. While 38% of the CSOs surveyed believe that the subject of civic education sufficiently promotes civic engagement, the rest have a negative opinion (30%) or have no opinion on this at all (29%).

Furthermore, the FGDs revealed that ordinary citizens are not aware that there are CSOs that deal with certain issues of potential concern to citizens. This is a result of both lack of interest from citizens and insufficient outreach by CSOs. The FGD participants emphasised the role of the media in promoting community initiatives and civil society activities. Citizens were dissatisfied with the media, noting a focus on political issues and sensational news rather than issues of major concern for citizens. Last but not least, the low economic standard and high rate of poverty was also discussed as having a direct impact on the lack of motivation for civic activism. With many people experiencing economic hardship, civic engagement is low on their list of priorities.

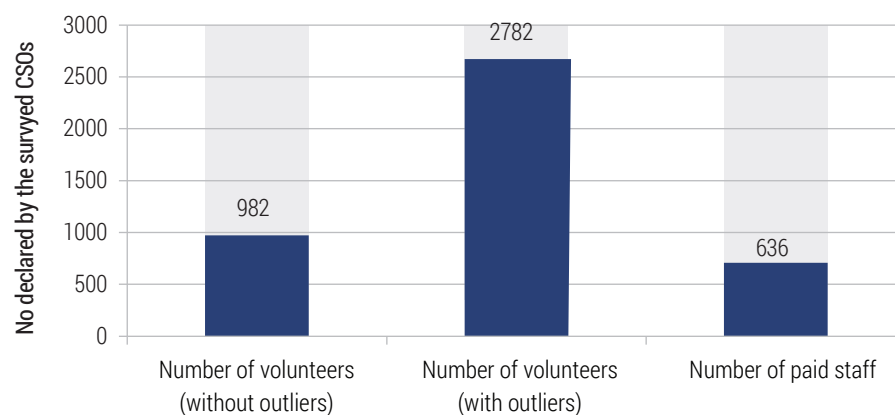
41 Pula, Besnik. "Hendeku i Shpresës." Sbunker. 2016. Accessed August 23, 2016. <http://sbunker.net/teh/88052/hendeku-i-shpreses/>.

## Volunteering

Assessing the level of volunteerism in Kosovo, including volunteerism in civil society, is very difficult. There is no official data on the number of volunteers, number of hours volunteered, types of voluntary work or demographics of volunteers. Nevertheless, some information on volunteerism collected for the Civil Society Index through the UNDP Public Pulse Survey, as well as the CSO Survey by asking CSOs whether they have engaged volunteers during a specific year, the number of volunteers, types of their engagement, their perceptions of the dynamics of volunteering and the environment for volunteering in Kosovo.

The prevalence of volunteerism in Kosovo remains generally low, even though there has been a slight increase since 2014. In the UNDP Public Pulse published in November 2015, 3.8% of Kosovar citizens reported doing some voluntary work for a civil society organization. The level of voluntary work for CSOs was slightly lower in 2013 (3.1%) and higher in 2011 (4.5%).<sup>42</sup>

Despite operating in an environment where voluntary work is neither regulated nor promoted, Kosovar CSOs still engage many more volunteers than paid staff. This is a stable trend for many years now, as similar results were found in previous rounds of the Civil Society Index.<sup>43</sup> The number of volunteers is higher than the paid staff even without counting three CSOs that engaged a couple of hundred of volunteers. When including these outliers<sup>44</sup> the number of volunteers appears to be more than four times higher compared to the number of paid staff.



(Fig.28: Number of volunteers vs number of paid staff of the surveyed CSOs during 2015 – Source: CSO Survey)

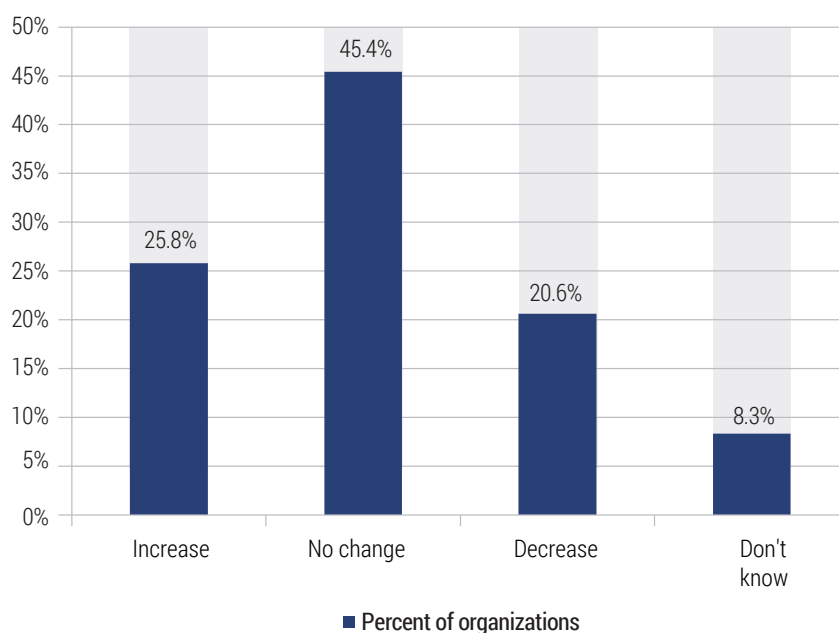
The trend of volunteering for CSOs remains unchanged. When asked about the dynamics of volunteer work in Kosovo during the last year, almost half of the respondents (46%) consider that it has not changed, while the two opposite assessments on expansion and shrinking of

<sup>42</sup> The Kosovar Civil Society Index. Report. Kosovar Civil Society Foundation, 2014.40

<sup>43</sup> The CIVICUS Civil Society Index for Kosovo. Report. Kosovar Civil Society Foundation and CIVICUS, 2011.42

<sup>44</sup> An outlier is an observation that lies an abnormal distance from other values in a random sample from a population. In this case, outliers have been considered all those CSOs who have declared to have engaged more than 100 volunteers during 2015.

volunteering almost equal each other; 26% stated that volunteer work has expanded over the last year, whereas 20% stated that it has shrunk. From those who believe volunteerism has expanded during the last year, more than a quarter attribute it to the increased awareness about voluntary work, whereas a very similar percentage believe that it is a result of non-monetary benefits for volunteers (e.g. gaining experience from volunteer work), lack of paid jobs in Kosovo and civil society's good reputation. Another 17% of the above-mentioned CSOs stated that volunteerism has expanded during the last year due to the desire of individuals to support the successful work of institutions responsible for certain areas or to contribute to positive change. Conversely, almost one third of those CSOs that consider volunteerism to have shrunk stated that the poor economic situation in Kosovo is the main reason why volunteer work has been in decline during 2015; 24% stated that it is because of lack of awareness on volunteerism, 21% because of disappointment regarding the work of the institutions in certain fields, 20% because of the lack of non-monetary benefits for volunteers and only 7% because of the poor reputation of civil society.



(Fig.29: CSO perception on the trends of volunteering in civil society during 2015 – Source: CSO Survey)

The CSO Survey shows that civil society organizations are sceptical about the policies for volunteering and relevant legal framework, as only one third consider it favourable (7%) or somewhat favourable (30%). The rest consider it discouraging (31%) or believe that there is no legal or policy framework for voluntary work (14%), while a significant portion of the surveyed CSOs declare that they are not informed about this (18%). Among the CSOs surveyed, those organizations that have no volunteers are more sceptical compared to those who engaged volunteers during 2015.

In reality, the survey results are consistent with the current legal and policy framework. For many years now, there were no developments made to the legal framework for volunteering. The only law that contains any provisions on volunteering remains the Law 03/L-145 on

Youth Empowerment and Participation, which aims to stimulate volunteering for youth. No law or regulation addresses any other kind of volunteerism, by any other group. Registration of young volunteers is obligatory, as well as the obligations for establishing a contractual relationship and protection for organized volunteering for youth. However, administrative procedures for host organizations of young volunteers are complicated and burdensome. One of the four objectives of the Government Strategy for cooperation with civil society 2013-2017 is dedicated to volunteerism, but no significant developments have been made since its adoption.

As a result, although it takes place in many forms and by a variety of CSOs, volunteerism remains largely informal. The registration system for youth volunteers, the only system envisaged by the Law on Youth Empowerment and Participation, did not function during 2015, with the exception of a few municipalities that have a functional registration system for youth volunteers.<sup>45</sup> The CSO survey shows that around 60% of the surveyed CSOs claimed that they engaged volunteers during 2015 in their organization. Slightly more than a third of CSO that engaged volunteers during 2015 (37%) stated that they engaged them formally, through written contracts. The rest engaged volunteers in a non-formal manner: 25% through verbal agreements, whereas another third (32%) considered contracts not necessary due to the short duration of engagement. An additional 5% of the CSOs stated that they did not engage the volunteers formally because it is not mandatory by law.

A similar situation is present also with regards to voluntary programs organized by state institutions, as no such program has been identified during 2015. Only 10% of the interviewed organizations stated for the CSO Survey that they are aware of state programs that support the engagement of volunteers. Nevertheless, when asked to list these programs, those respondents referred to the Ministry of Culture, Youth and Sports (MCYS), Initiative for Agricultural Development of Kosovo (IADK) or Local Youth Action Council (LYAK) – with the last two being CSOs rather than state institutions.

---

<sup>45</sup> Monitoring Matrix on Enabling Environment for Civil Society Development: Kosovo Country Report 2015. Report. Kosovar Civil Society Foundation. KCSF, 2016.32



## Funding

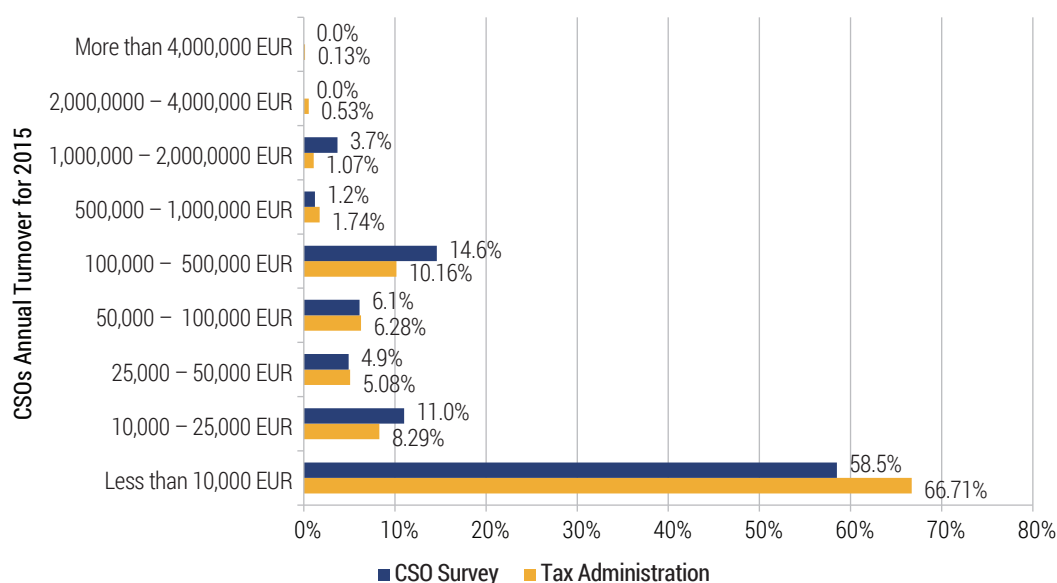
Funding for the sector remains stable. Two thirds of the sector operates with less than 10,000 EUR annually, with half of this group having no funds at all. Foreign donors provide most of the funding for the sector, although the share of CSOs receiving foreign funds has decreased. Due to short-term funding, the vast majority of the sector is unable to plan beyond one year. Through consultations with donor organizations, some CSOs have a say in the funding priorities of foreign donors. Only a small portion of the sector has successfully accessed EU funds, mainly due to a lack of capacity to apply for and implement EU funded projects. Smaller CSOs, in particular those active at the local level, are mainly dependent on public funds, which are not regulated by any legal criteria or procedures. Few CSOs can obtain state contracts for public services, while private giving is low in terms of both prevalence and amount.



## Annual turnover

The previously noted lack of official financial data for the civil society sector in Kosovo also includes the annual turnover of CSOs and other trends relating to funding for the sector. The only source of information was the periodic CSO Survey conducted for the Civil Society Index. This year, in addition to the CSO survey, the Civil Society Index for the first time had access to data from the TAK, on those CSOs that submitted annual reports to this institution. Both of these sources reported very similar data, confirming that the majority of CSOs in Kosovo operate with less than 10,000 EUR annually, with a portion of them operating without any funding.

In 2015, around 60% of the surveyed CSOs reported to the CSO Survey that their annual revenues were less than 10,000 EUR (with around half of them having no funds at all during 2015); 11% were between 10-000 - 25,000 EUR, whereas almost 15% were between 100,000 – 500,000 EUR. Around 5% of the surveyed CSOs have had an annual turnover of more than 500,000 EUR. Similar results appear in the annual statements from CSOs submitted to the TAK.<sup>46</sup>

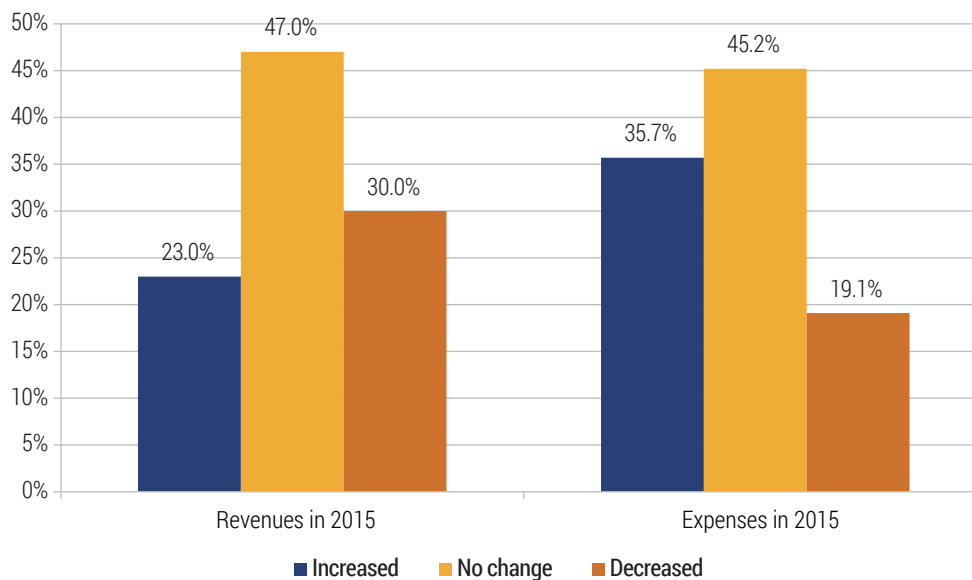


(Fig.30: CSO Annual Turnover for 2015 – Source: CSO Survey & TAK)

The survey shows that the trends of funding in 2015 compared to 2014 are generally the same, despite a slight decrease. With almost half of the surveyed CSOs declaring that their revenues did not change compared to 2014, a larger portion of them (30%) declared a decrease in revenues compared to those declaring an increase (23%). While donor agencies also confirmed that the funding trends have been rather similar during the last couple of years, around a quarter of them stated that they made available more funds to the sector during 2015 compared to 2014, and a similar increase is expected for 2016.

<sup>46</sup> Official data from the Tax Administration of Kosovo. July 6, 2016. Raw data. Pristina, Kosovo.

On the other hand, the survey shows that expenses have increased during 2015, which indicates that a portion of funds operated and spent by CSOs during 2015 have been received in the previous year(s).



(Fig.31: Trend of CSO revenues and expenses in 2015 compared to 2014 – Source: CSO Survey)

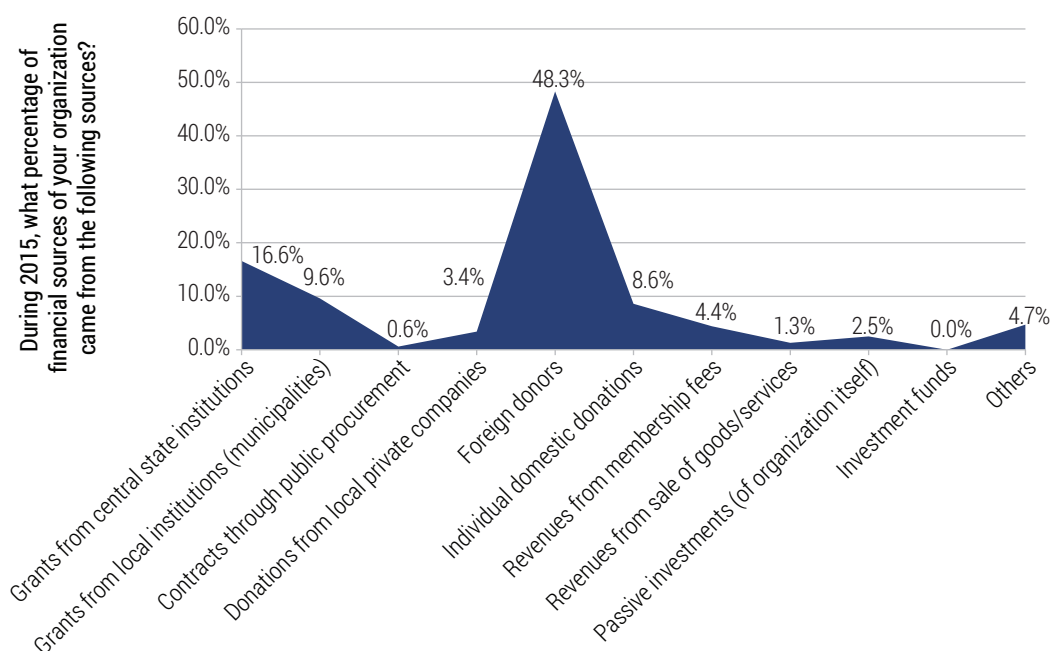
The dominance of CSOs operating with little or no funds is confirmed by data, revealing that only 37% of the CSOs surveyed managed to secure sufficient funds to ensure continuity of their activities during 2015. The number of CSOs surveyed that did not implement any projects in 2015 is very high (40) while the remaining CSOs implemented a rather small number of projects: 13% implemented one or two projects each, and 9% implemented three projects.

From the CSOs surveyed that had no new projects or only one project during 2015, the most prevalent are those active in areas not commonly funded by a specific donor, such as flora and fauna, social and psychological support or student organizations and the majority of which are active only at the local level. Nevertheless, while almost half of them have no staff, more than 70% of these organizations engaged volunteers during 2015.

## Funding sources

With no comprehensive data available from state institutions or from foreign donors, assessment of CSO funding sources remains a challenge. For many years now, the Civil Society Index has asked CSOs about their sources of funds based on specific categories of funding. The previous rounds of the Civil Society Index confirmed that civil society in Kosovo remains dependent on foreign donors, with more than 70% of funds coming from outside Kosovo. In 2015, the foreign donors still top the list of funding sources, however with a significant decrease, coupled with a slight increase of state funds, in particular those from central institutions. Other sources of funding remain generally low, although individual donations and membership fees have seen an increase.

In addition to the changing dynamic of funding during the last couple of years, these differences also have a methodological explanation. While the previous samples included those CSOs that showed some level of activity (participation in meetings, responding to e-mails, etc.), the sample for the CSO Survey 2015 was selected randomly from the official NGO Registry of the NGO Department, meaning that more CSOs with less funding and activity have been included. As shown in previous studies, the smaller the CSO is in terms of funds the less foreign funds it operates with.<sup>47</sup> Second, as the sources of funding are not related to the amount of funds operated by a CSO, the same weight in the total calculations is given both to smaller and larger CSOs. That is, if a CSO operating with 2,000 EUR annually is 100% funded from individual donations, this source has the same weight as a CSO operating with 1,000,000 EUR annually with 100% foreign funds. Last, despite the fact that both membership fees and individual donations are commonly low amounts, for smaller CSOs they may comprise a significant percentage of their funds. With more smaller CSOs part of the sample, both of these funding sources are higher than in previous studies.



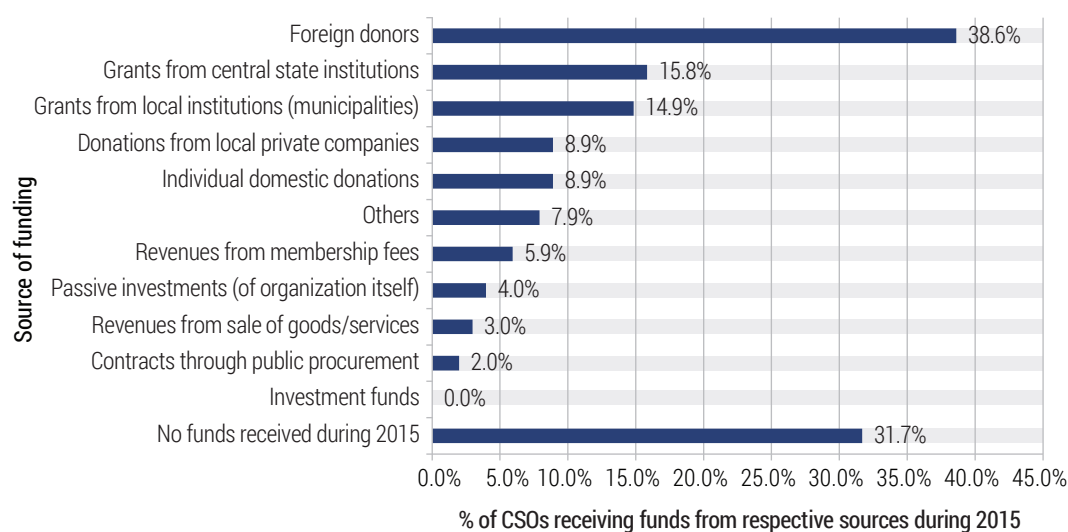
(Fig.32: Sources of funding of civil society sector – Source: CSO Survey)

However, when calculating the amount of funds declared by each of the CSOs surveyed compared to the sources of funding, the data shows that foreign funding comprises almost 99% of total funds for civil society in Kosovo. In other words, for every 100 EUR received by civil society 99 EUR come from foreign sources. This is not a surprise as the amount of all other types of funding are far lower than the amounts awarded by foreign donors. Many projects funded by public institutions vary from a couple of hundred to a couple of thousand euros, while membership fees and individual donations are even less. On the other hand,

<sup>47</sup> The Kosovar Civil Society Index. Report. Kosovar Civil Society Foundation, 2014.26

among foreign donors grants commonly reach tens of thousands of euros, even hundreds of thousands of euros for long and large-scale initiatives.

When analysing the distribution of funds based on sources of funding, despite being the main source of funding for civil society, foreign funds were granted to a smaller share of CSOs. The survey shows that only 38.6% of the CSOs surveyed received foreign funds during 2015. Among other sources, around 15% of CSOs each have received funds from central and local institutions, and around 9% each received private donations from individuals and businesses. 31.7% have received no funding at all during 2015.

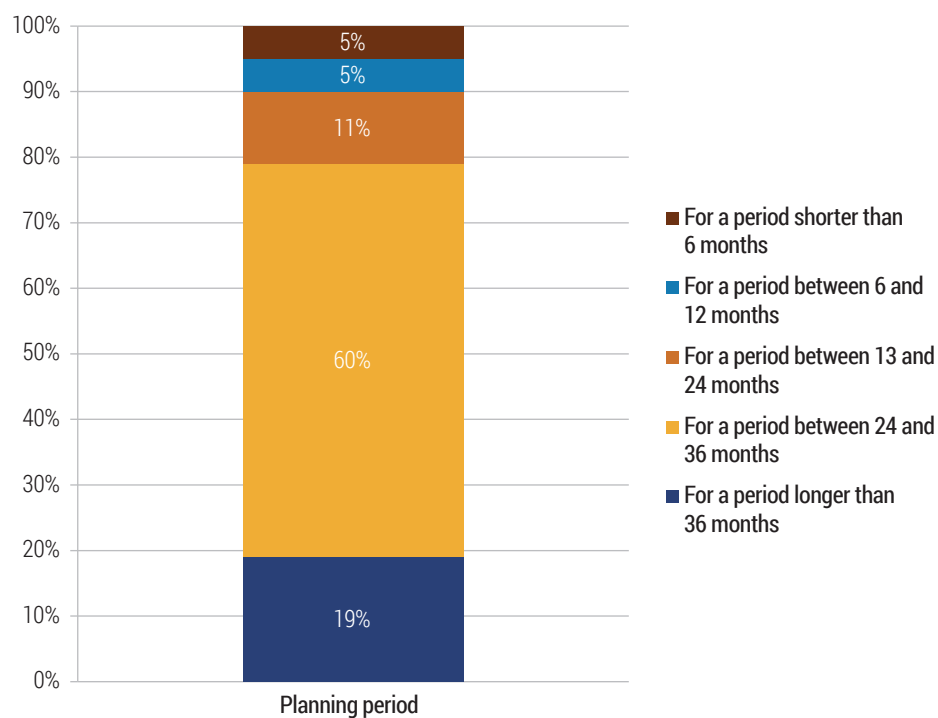


(Fig.33: CSOs by source of funding – Source: CSO Survey)

While the above chart shows the general situation for Kosovar civil society, according to the FGDs with Serbian CSOs operating in the northern part of Kosovo the majority of them reported being financially supported by foreign donors.

## Planning and funding trends

CSOs in Kosovo usually plan for a short period of time, with few CSOs (5%) planning for longer than 2-3 years. The most common planning period is between six and twelve months (60%), while a significant portion of CSOs have an even shorter planning period (20%).

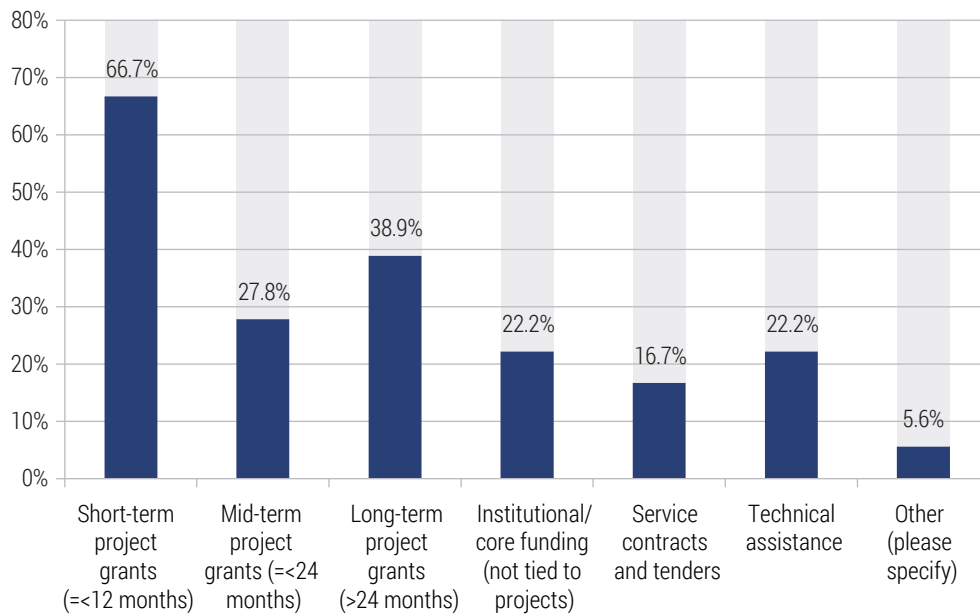


(Fig.34: Duration of planning the work of CSOs – Source: CSO Survey)

## Types of support

Survey responses show that the planning period is directly linked to the type of support received by CSOs, as short-term project grants continue to be the most common type of support. The Donor Survey confirms that the most common type of support to CSOs does not exceed 12 months. Other types of support are less common, although a solid presence of longer-term project grants exists, with almost 40% of donors providing such grants.

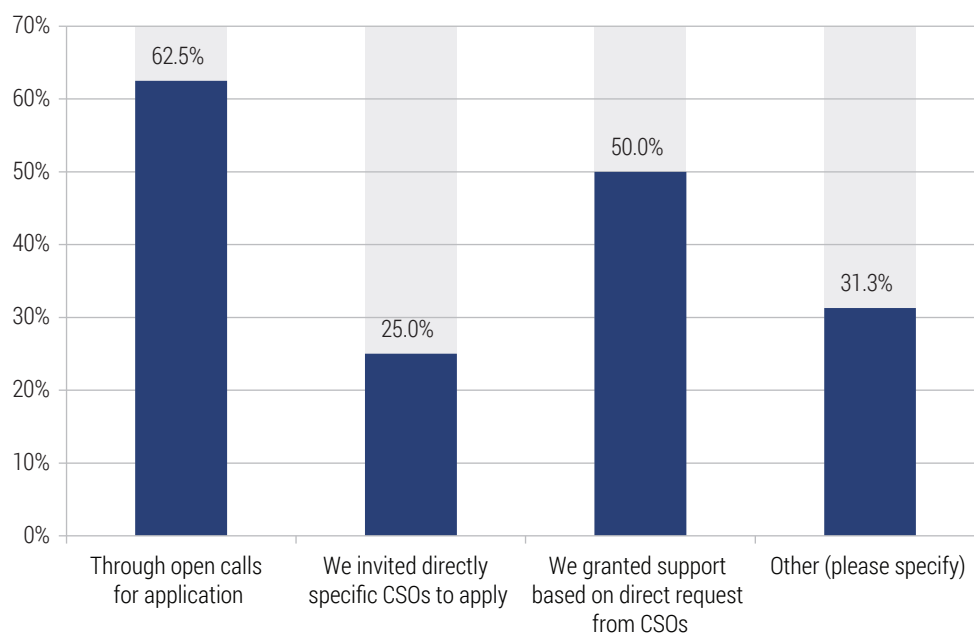
The CSO Survey confirms that project grants dominate the funding patterns, with far fewer CSOs report being awarded institutional grants or service contracts. Specifically, 47% of the surveyed CSOs received project grants, 11% received institutional grants and service contracts, whereas 14% received support in the form of technical assistance.



(Fig.35: Type of support provided by foreign donors to CSOs during 2015 – Source: Donor Survey)

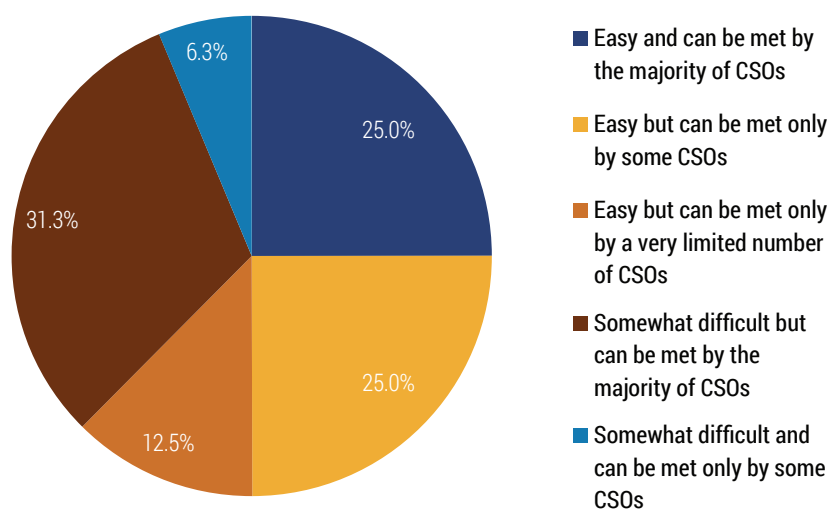
Open calls for application remain the main mechanism for obtaining donor funds, even though requesting funds from donors to finance certain projects seems to also be common among CSOs. Forty-four percent of CSOs stated that they obtained funds from donors through open calls, whereas 30% stated that they also requested funds from donors directly to finance certain projects. Only 20% of the CSOs stated that they were invited directly by donor organizations to apply for certain funds.

The Donor Survey also shows that open calls for application remain the most common means of providing funds to CSOs, nevertheless, half of the donors also reported that they granted support to CSOs in response to direct requests.



(Fig.36: Type of application procedures for foreign funds during 2015 – Source: Donor Survey)

As expected from a sector where the majority operates with a very small amount of funding, the majority of CSOs consider the application procedures to be somewhat or very difficult in relation to the amount of financing. Only 8% of the CSOs consider the procedures for obtaining funds in relation to the amount of financing during 2015 easy; 57% stated that they were somewhat difficult, whereas 33% very difficult. Foreign donors do not share the same opinion with CSOs on the difficulty of their application procedures, as half of them consider the application procedure to be easy. However, some donors consider that their application procedures are somewhat difficult and can be met only by some or a very limited number of CSOs (19%), while a quarter think that even though their application procedures are easy, they can be met only by some CSOs in Kosovo.



(Fig.37: Donor assessment on the application procedures for foreign funds during 2015 – Source: Donor Survey)

The FGDs with smaller CSOs reveals a number of additional problems in applying and securing funds from foreign donors. First, many participants agree that most donors target their application procedures (even unintentionally) to larger and more well-established CSOs. The very limited number of donors allowing applications in local languages is one proof of this. Second, due to the lack of experience with donors and their terminology, smaller CSOs often miss the goals of the calls for application or the specific requirements from foreign donors. Third, some CSOs active in local and rural areas complain that larger CSOs apply for activities covering their area as well, but when they receive the grants either they do not implement activities on the ground or do this by using the local CSOs. Last, with the exception of larger CSOs, many rely solely on one individual (most commonly the Executive Director) who is responsible for everything in the organization and does not transfer the knowledge to the rest of the team. When he or she leaves, the organization's capacity and network suffers.

On the other hand, the focus group discussion with representatives of several donor agencies provided different perspectives. First and foremost, most of them consider that the applications from CSOs are largely repetitive, lacking innovation. This may be a result of a time when donor funding was very high and CSOs could receive funds very easily. With fewer donors and more specific focus of donor strategies, CSOs must respond with higher quality proposals. There is also a perception that many CSOs do not even read the donor strategies and application instructions. In addition, some donor representatives have the impression that CSOs are more focused on guessing what donors fund rather than focusing on the needs of their target groups and beneficiaries.

## Donor programming of funds

As the main source of funding for civil society in Kosovo, the influence of foreign donors in the sector is naturally high. This influence is often expressed through the priority topics funded by these donors, which are then transferred to CSOs through grants and other types of support. For this reason, the KCSI also explores the modalities of how foreign donors program their funds and if local priorities and actors are consulted during this process.

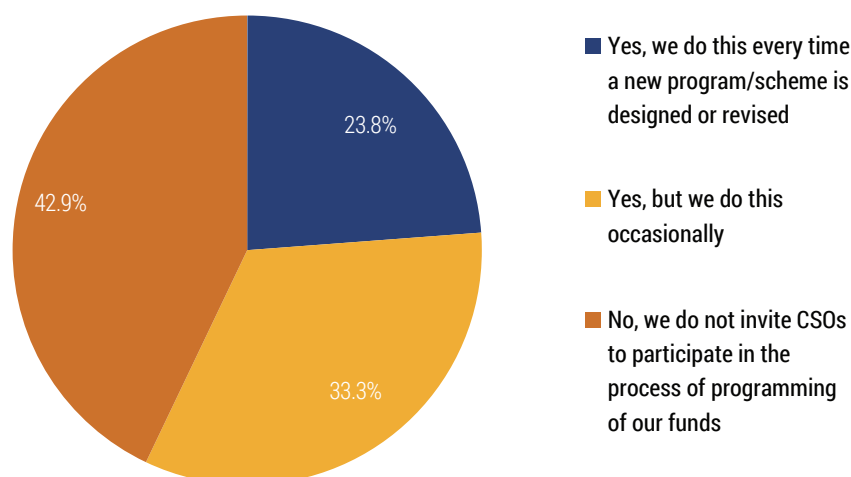
From the civil society perspective, only part of the sector seems to be consulted by donors during the programming period for upcoming funding cycles. While 40% of the CSOs stated that they requested to be consulted by donor organizations during the programming period, only 29% of them reported that they received an invitation for consultations on this topic during 2015. Of these, more than half (19 CSOs) stated that they were consulted by donors they regularly cooperate with, 7 were consulted both by donors that they regularly cooperate with and those that they do not usually work with, whereas 4 reported to have been consulted by donors they do not cooperate with. When invited for consultations, CSOs believe that these consultations are rather fruitful, as 53% of the consulted CSOs stated that their contributions were taken into account to some extent, whereas 23% believe that their contributions were fully taken into account.

The FGDs with Serbian CSOs in the northern part of Kosovo reveal that these CSOs are not consulted about programming of foreign donors' funds. They claim that the donors rarely, if



ever, consult them regarding programming funds, hence they believe that they have limited influence in this regard. In a few cases when consultations did take place, the process was reported to be irregular and rather closed for the majority of CSOs. Quoting one of the FGDs participants, “We chase the things that they are offering us and not what we want”.

From the donors’ perspective, slightly more than half of those interviewed stated that they do invite CSOs to participate in the process of programming their funds; 23.8% claimed to do it every time a new program or scheme is designed or revised, whereas 33.3% stated that they do it only occasionally. Among the donor agencies that invite CSOs for consultations, the majority (84.2%) stated for the survey that they typically invite a limited number of CSOs they usually cooperate with, whereas the remaining stated that this consultation process is organized through an open call and that everyone can participate. Nevertheless, the majority of donors (86%) stated that they do not receive requests from CSOs to be consulted for the programming of funds, rather the initiative for consultations comes from the donors.



(Fig.38: Invitation of CSOs by foreign donors on programming of their funds – Source: Donor Survey)

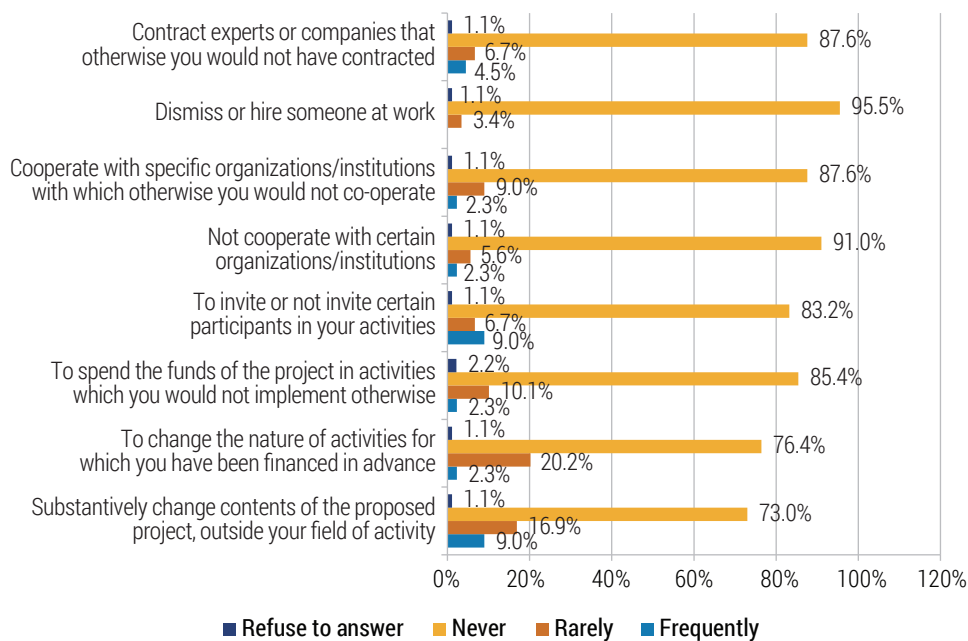
The majority of donors (75%) stated that when invited, the majority of CSOs respond positively to the consultation process. Most donors (67%) are also satisfied with the level and usefulness of comments from CSOs, while the vast majority of them (92%) declare that CSO comments are taken into account to a certain degree.

One important challenge mentioned by donor representatives during the focus group discussion is the fact that most foreign donors operate with very limited staff in their offices in Kosovo. With only one or two people in charge (and who deal with other issues beyond civil society), many times the consultation with CSOs on programming of their funds becomes a real challenge. While all of them declare to be committed to involve CSOs in programming of their funds, some of them also emphasise that only those CSOs that embody the values promoted by the donors are considered for this process.

## Influence of donors in the work of CSOs

Formally, once financial support is granted, donors should not interfere with the work of the CSO. This is particularly important for project grants, the main type of support to CSOs in Kosovo, which are based on a proposal by the CSO that is positively evaluated and accepted by the donor. The majority of CSOs seem to operate without interference from donors in Kosovo. A similar finding is reported from the Serbian CSOs in the northern part of Kosovo. Nevertheless, although limited, there are some cases of interference from donors, requiring CSOs to act differently from what they would have done in other circumstances.

The most common interference seems to be the substantive change of content of the proposed project, outside the field of activity of the CSO (25.9% of CSOs have experienced this interference) and changing of nature of activities for which the CSO has been financed in advance (22.5% of CSOs have experienced this interference). Other types of interferences rarely occur, such as contracting experts or companies that otherwise the CSO would not have contracted; cooperating (or not cooperating) with specific organizations or institutions; or inviting certain participants to CSO activities.



(Fig.39: Interference of donors on the work of CSOs – Source: CSO Survey)

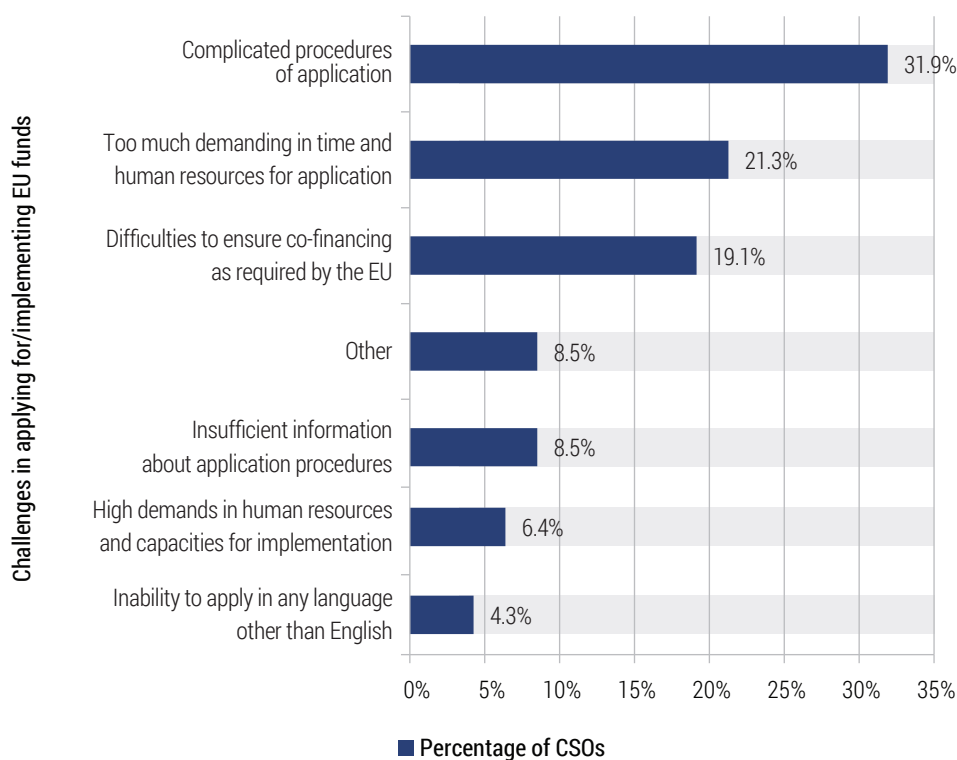
More in-depth analysis of the data reveals that although not high, there are still differences among types of donors and their interference. Particularly, those CSOs that receive public funding report slightly more interference compared to those receiving foreign funds, with the exception of the request to change the content of the proposal outside the field of activity, where foreign donors seem to interfere more. Meanwhile, those receiving private donations declare the least interference.

## EU Funds

Although the EU falls within the larger group of foreign donors, due to Kosovo's EU perspective and expected dominance of EU funds in the future the study has taken a closer look at EU funds for civil society.

The portion of CSOs that received EU funds in 2015 is very low, as only 17% of the CSOs surveyed received such funds. From those who didn't receive EU funds, the largest group didn't even apply (67%), while a smaller part applied, but were not selected (17%).

A more in-depth analysis of the issues they face with the application and/or implementation of EU funds confirms the perception that only well-established CSOs have adequate capacities to apply and be granted EU funds, with a major part of the sector not even considering applying for EU funds. Complicated procedures for application was the main challenge reported (32% of responses), followed by the high demands in time and human resources for the application process (21% of responses) and difficulties in ensuring co-financing as required by the EU (19% of responses).



(Fig.40: Main challenges in applying for/implementing EU funds – Source: CSO Survey)

The strict rules of the EU Practical Guide (PRAG)<sup>48</sup> was reported as one of the main reasons for the low number of beneficiaries of EU funds, which allows little flexibility to adapt to the capacities of smaller CSOs. The recent changes to the PRAG have enabled the EU to adopt

<sup>48</sup> EU PRAG refers to EU Practical Guide to Contract Procedures for EU External Actions

a similar model to other foreign donors, using domestic capacities to manage funds for civil society, with re-granting being the main tool to reach smaller, more grassroots CSOs. The EU Office in Kosovo has already begun implementation of re-granting schemes, which may increase the range of beneficiaries of EU funds in the future.

## Public funds

Public funds for civil society remain among the biggest issues for the development of the sector in Kosovo. Despite the fact that the state provides funds to CSOs in numerous cases, in particular to smaller CSOs, there are no rules or procedures that regulate the process.

The existing funds for CSOs are disbursed from specific institutions at the central and local level, without any cooperation, coherence or planning within the state budget. Only three cases of funds planned for CSOs have been identified in the state budget of 2015,<sup>49</sup> with similar trends during previous years. No funding mechanisms exist at the national or local level, nor is there a body with a mandate to monitor how public funds are distributed to civil society. There are no specific procedures for distributing public funds to CSOs, or standard selection criteria that would ensure public funding is distributed in a prescribed manner. A number of ministries have drafted specific secondary legislation on “distribution of subsidies for NGOs”, but the legal basis of these regulations remains unclear. In addition, these regulations do not cover the entire cycle of public funding and address the same issues in a different manner and level of detail, depending on the particular ministry.

The information on the procedures and award of public funds to CSOs is rarely available, with only a few Ministries publishing some data occasionally. Despite a requirement from the Government Strategy for Cooperation with Civil Society to publish data on all public funds to civil society,<sup>50</sup> this information has never been published. As a result, there is no data on the amounts, type of projects and organizations benefiting from public funds.

One positive development was noted during May 2016, when the Government adopted a model on public funding for CSOs designed jointly with civil society. This model requires uniform general criteria on planning, distributing and monitoring public funds for CSOs, with each ministry being in charge of designing specific procedures in line with the general requirements. The Government mandated the Ministry of Finance and the Office for Good Governance to initiate drafting of the necessary regulations to make this model operational.

The only source of information regarding public funds disbursed to CSOs was obtained from the CSO Survey. The data shows that a quarter of the CSOs surveyed received funds from state authorities, local or central, during 2015. Generally, the recipients of public funding are smaller CSOs, active at the local level, operating with an annual budget of a couple thousand euros.

---

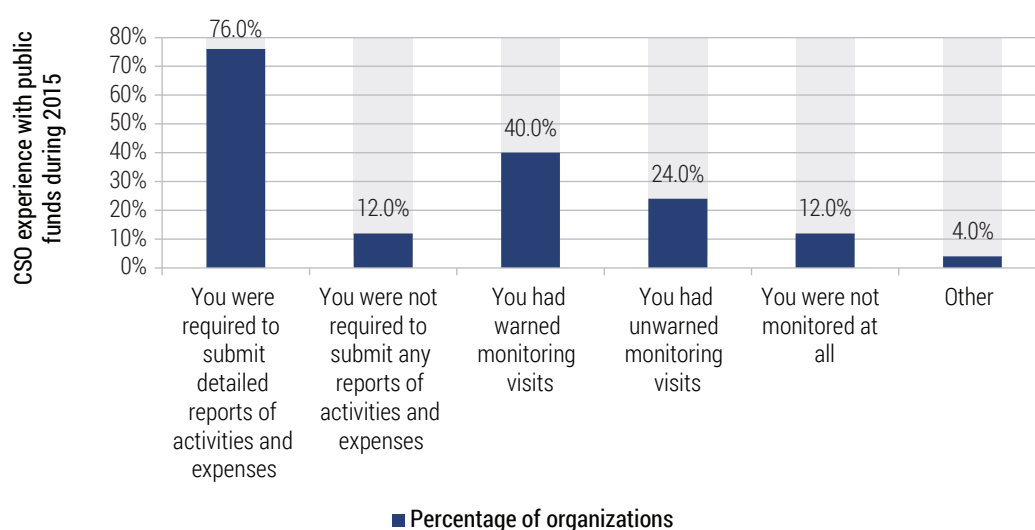
49 Monitoring Matrix on Enabling Environment for Civil Society Development: Kosovo Country Report 2015. Report. Kosovar Civil Society Foundation. KCSF, 2016.28

50 Qeveria e Kosovës. “Strategjia për Bashkëpunim me Shoqërinë Civile 2013-2017 dhe Plani i Veprimt 2013-2015.” [www.zqm.rks-gov.net](http://www.zqm.rks-gov.net). 2013. [https://zqm.rks-gov.net/Portals/0/Docs/STRATEGJIA\\_QEVERITARE\\_PER\\_BASHKPUNIM\\_NE\\_TRI\\_GJUHET.pdf](https://zqm.rks-gov.net/Portals/0/Docs/STRATEGJIA_QEVERITARE_PER_BASHKPUNIM_NE_TRI_GJUHET.pdf).

During 2015, 25% of the surveyed CSOs declared receiving public funding. Sixty-eight percent of these CSOs reported receiving funds for a specific project or activity, 12% as institutional support, 12% as co-financing for EU or other donor projects and 12% stated other purposes, namely: capacity-building, visits and recreation and securing medical work for the organization. When asked about the application procedure, almost half of them (42%) stated that they had requested the funds directly from state institutions, the other half (54%) received public funds through open calls for application and only a small portion (4%) reported specific donor-municipality financing modalities. However, it is indicative that the level of open calls is more common at the central level than at the local level. 62.5% of the CSOs that received grants from central level institutions stated that they had received the funds through open calls, while for CSOs that received funds from local level institutions this figure was only 21.4%.

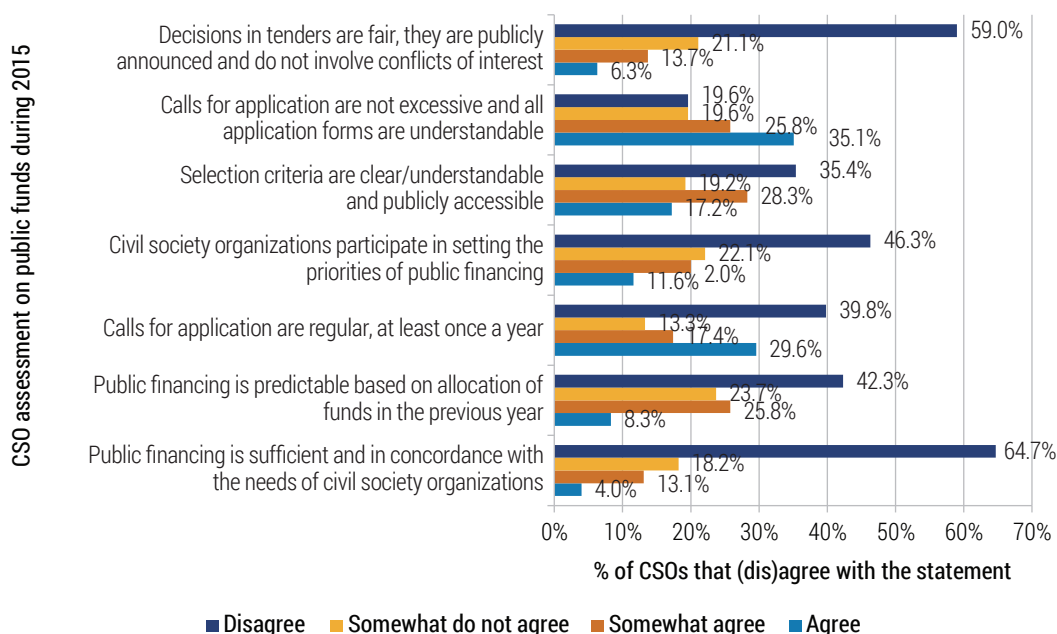
Out of 37 publicly funded contracts reported by the CSOs surveyed, the majority of them were signed with central level institutions (65%), whereas the rest were with local institutions. Although central institutions provided more public funds, most of the recipients of these funds come from the local level. Out of all CSOs that have received public funds, 90% operate at the local level. As for amounts, more than 85% of these contracts, both at the central and local level, were smaller than 10,000 EUR in value, while the others ranged from 10,000 EUR and 25,000 EUR. No cases of public funding with higher values were reported.

Some progress was noted on reporting and monitoring public funds for civil society, although there is still no coherent system. Some public institutions have responded to common critical reports from the Auditor General and have initiated some level of monitoring. This is indicated by the fact that around three quarters of CSOs that have received public funds report having submitted activity and financial reports, 40% of them report having announced monitoring visits and 24% of them report unannounced monitoring visits. Nevertheless, there are still cases (12%) where CSOs report not submitting any report or not being monitored by the respective public institution.



(Fig.41: CSO experience in monitoring and reporting of public funds during 2015 – Source: CSO Survey)

The survey data indicate a variety of problems with public funding for CSOs particularly in terms of procurement, available information, transparency, adequacy, and participatory planning. More than 80% of the CSOs disagreed with the statements that “*decisions in tenders are fair, publicly announced and do not involve conflicts of interest and that public financing is sufficient and in concordance with the needs of CSOs*”. Two-thirds of the CSOs disagreed with the statements that “*public financing is predictable based on allocation of funds in the previous year and that CSOs participate in setting the priorities of public financing*”, whereas 55% disagreed with the statement that “*the selection criteria are clear/understandable and publicly accessible*”.



(Fig.42: CSO assessment on public funds during 2015 – Source: CSO Survey)

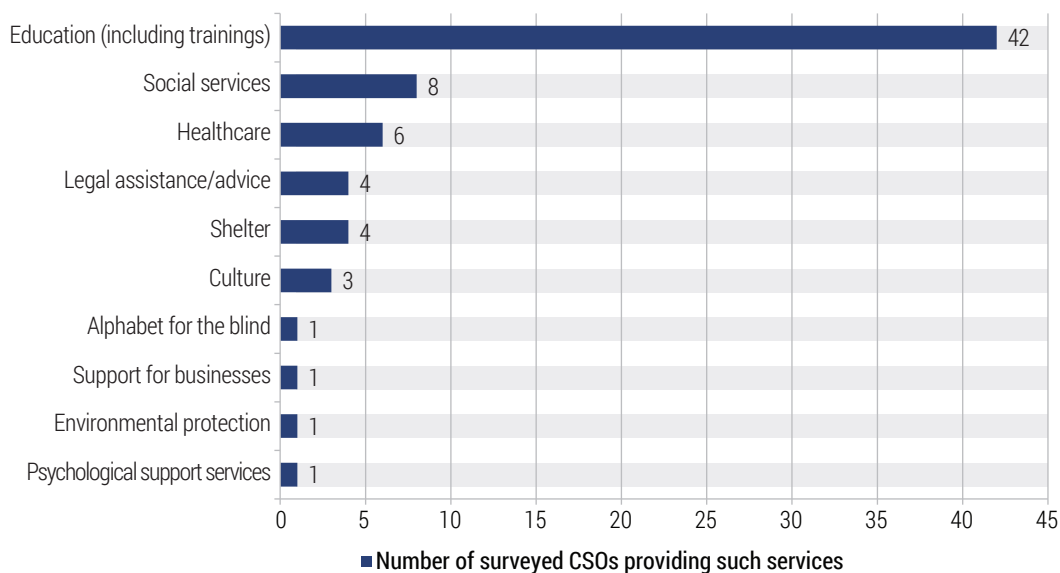
As expected, the statements from CSOs that received public funding is slightly more positive compared to those who did not.

## State contracts for public services

While public funding for CSOs includes only grants to projects and other initiatives that are designed by CSOs and serve to achieve different objectives based on the modalities proposed by CSOs, another category of CSO activity is services to groups of citizens considered public services. This category includes all services that are obligations of the state, but are also provided by CSOs.

As an obligation of the state, in an ideal situation, the state would cover the costs for all of these services, including those provided by CSOs. Nevertheless, despite the existence of many CSOs that provide different services to citizens for more than a decade now, most of these services are supported by international donor funding rather than state funding.

Among all CSOs surveyed, 45% report providing some types of public service, such as social services, education, health care, housing, culture, etc. Education related services are the most common among these, followed by social services and health care. Other types of services are less common.



(Fig.43: Types of state contracts obtained by surveyed CSOs during 2015 – Source: CSO Survey)

The majority of those services (88.4%) are provided free of charge to all beneficiaries, while only a small portion of services (9.3%) require a symbolic payment from others who are not the main target of the service. There was only one case when services from a CSO were provided with full payment to all service beneficiaries. Despite being public services, the costs for these services are still covered mainly by foreign donors (51.1%) or private local donors (27.9%). As reported by the surveyed CSOs, only 23.3% of them receive state funds for the public services they provide to the citizens.

The issue of state contracts for public services provided by CSOs faces many challenges, both related to the amount of funding and related procedures. The Law on Public Procurement only recently allowed CSOs to be treated equally to other service providers in terms of registration certificate, while only few laws or secondary legislation address specific needs faced by the CSOs in applying for and delivering public services. The area of social service provision appears to be the only area where the law takes into account the specific nature of work of CSOs. With a recently developed system of licensing for social services, CSOs are eligible to apply for licenses and also for state contracts on certain social services. Nevertheless, even in social services provision, many problems remain: there are no specific budget lines for funding the services provided by CSOs; the funds are not predictable and the duration of the state contracts cannot exceed the period of 1 year; the funds provided by the state are not sufficient in covering basic costs of the provided services, while no state contract covers any of the other institutional costs. The selection procedures are regulated by secondary legislation rather than by law, and only some general criteria and procedures for funding CSOs providing social services exist.<sup>51</sup>

<sup>51</sup> Monitoring Matrix on Enabling Environment for Civil Society Development: Kosovo Country Report 2015. Report. Kosovar Civil Society Foundation. KCSF, 2016.43-45

Other areas, such as for education or health services, still lag behind. As a result, with the exception of social services, state contracts to CSOs for services in other areas are rare.

The CSO Survey confirms most of the issues listed above. Only 10% of CSOs stated that they had competed for or applied for state contracts during 2015. When asked about the obstacles that they faced during this process, half of these CSOs (5 in total) stated that there were *numerous administrative requirements; one third stated that generally there is a small number of public tenders in their field of activity and one each stated that the procedures for registering/licensing are complicated, that they were expelled from the competition without any explanation and that there were delays during the process.*

The majority of CSOs that received funds from state contracts stated that the funds were insufficient to cover even the cost of basic services (six out of ten) and another three stated that they were sufficient to cover the costs of the basic service delivery but not the institutional costs (administrative and running costs of the organization). The majority of CSOs that received state contracts also stated that there were issues with timely receipt of funds (seven out of ten); only three CSOs stated that they received funds from state contracts on time. For the remaining CSOs the funds were delayed and caused problems in service delivery (four out of ten), whereas for two out of ten the funds were delayed but they were compensated for the losses caused by the delay of funds.

More than half of the CSOs that received funds from state contracts stated that monitoring of expenditures and quality assurance and quality of services provided by the organization was regular and not excessive (seven out of ten), whereas two CSOs each stated that *the monitoring and quality assurance was excessive and not regular.* The majority of surveyed CSOs consider monitoring of state contracts the same compared to state or public providers and businesses, two out of eight stated that it is less burdensome compared to other providers while only one stated that it is more excessive.

The perception of fairness in the decision-making process is similar to public funding, as only 13% of the CSOs consider that state contracts are awarded in a fair and transparent manner. More than half of CSOs (52%) consider that these contracts are not awarded in a fair and transparent manner, while 35% of the surveyed CSOs declare that they are not informed about the practice of decision-making for state contracts. Confirming this perception, more than half of the surveyed CSOs (57.6%) reported that their opinion is based on personal or organizational experience, with a quarter basing their perception on conversations with others or from the media.

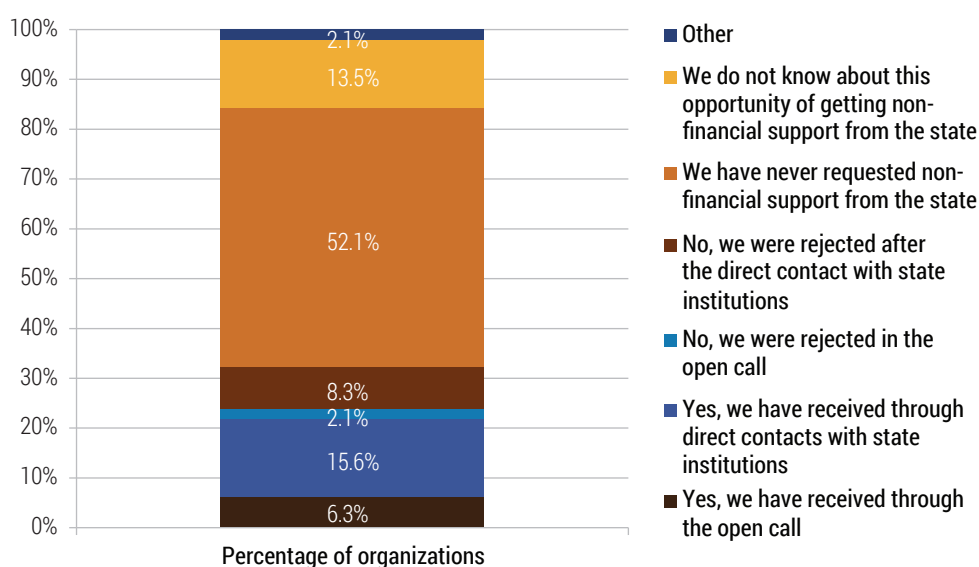
## Non-financial support

In addition to providing funds for specific activities of CSOs, the state can support the sector also by providing other types of support, including non-financial support. This type of support can include a variety of forms, such as allocation of properties for certain groups of civil society, or free long-term or short-term use of state-owned facilities, among others.



In Kosovo, there is a lack of policy or legal framework on non-financial support to civil society. The only law that indirectly addresses this issue is Law 04/L-144 on Allocation for Use and Exchange of Immovable Property of Municipality. According to this law, CSOs are among the potential beneficiaries of municipal property, based on an open public competition for all natural and legal persons. The prescribed criteria are very general and there is no clearly prescribed process for such non-financial support to CSOs. Although the law allows for specific circumstances when the open procedure can be skipped, CSOs do not fall in this category. No specific provisions exist on one-time usage of municipal or other state properties by civil society.<sup>52</sup>

The CSO Survey shows that only a small portion of civil society benefits from non-financial support from the state. Only 22% of the CSOs stated that they had received non-financial support such as workspace free of charge or rent, furniture, technical equipment, from state institutions, the majority through direct contacts with the latter. The majority of CSOs have never applied for non-financial support from the state: 14% of the interviewed organizations stated that they did not know that they could receive non-financial support from the state whereas 52% reported that they have never requested non-financial support.



(Fig.44: Types and challenges of non-financial support by CSOs during 2015 – Source: CSO Survey)

In general, the dominant type of non-financial support is usage of state-owned facilities for free for specific CSO activities, which was reported by 12 CSOs, while other types of support are less frequent and include office supplies and furniture (3 CSOs), education/training and capacity building (2 CSOs) and letter of support from the Mayor (1 CSO).

52 Monitoring Matrix on Enabling Environment for Civil Society Development: Kosovo Country Report 2015. Report. Kosovar Civil Society Foundation. KCSF, 2016.30

## Private donations and philanthropy

Similarly to other domestic sources of funding, private donations to civil society represent a small percentage of total funding. Only 15% of the surveyed CSOs declared to have received funds from domestic private donors (individuals or companies) during 2015. Nevertheless, as the majority of CSOs receiving donations from private individuals or companies are smaller, grassroots CSOs without any noteworthy access to foreign funds, this source of income may be significant for this type of CSOs. Around a quarter of the surveyed CSOs that received private donations reported this as their only source of funding. Mainly, these are organizations that work on a voluntary basis and collect symbolic donations from individuals, although there are isolated cases of donations from private companies.

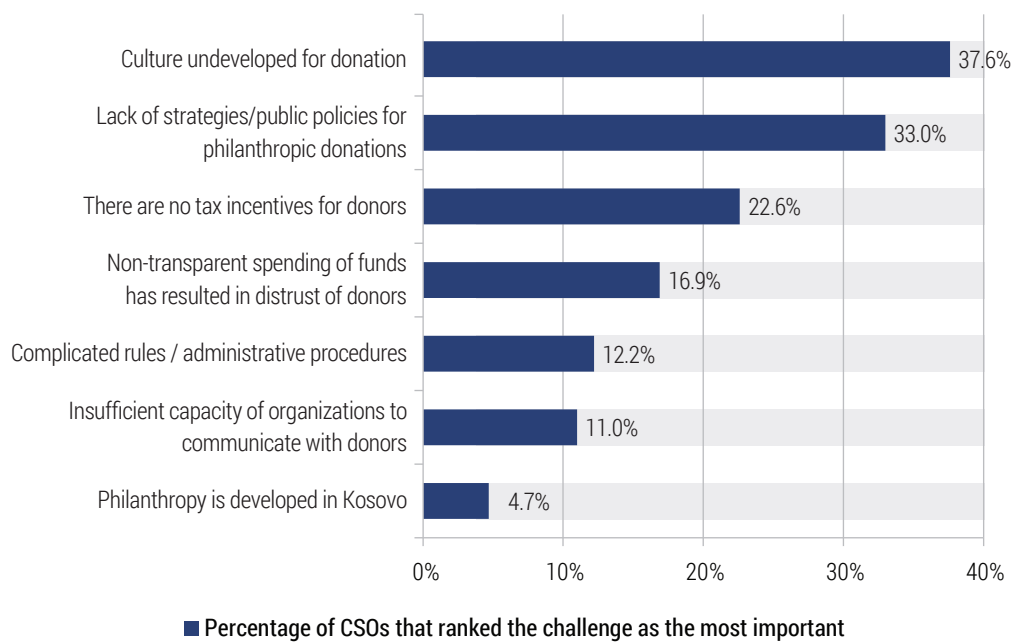
With the vast majority of them (79%) reporting that the administrative procedures for receiving private donations is easy, it is evident that this funding is collected in a less formal way, without any formal accompanying procedure. As there are almost no tax benefits for private donors to civil society, they have no incentive to formalize their giving. According to the data from the TAK, there was only one case during 2015 of a tax deduction for a private company due to donations to CSOs (see the section on Incentives for CSO donors for more).

On the other hand, both the previous and the new Law on Prevention of Money Laundering and Fighting the Financing of Terrorism are restrictive in terms of cash donations to an NGO. According to the new law adopted in May 2016, an NGO is not allowed to receive more than 500 EUR cash from a single recipient within a day, or more than 1,000 EUR from a single recipient within a year. The sanctions for failure to respect this restriction are severe, both in terms of amounts and criminal liability.<sup>53</sup>

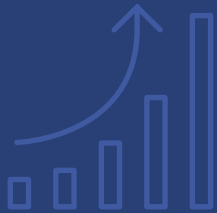
The low level of philanthropy, specifically towards civil society, is a result of a combination of factors. Some factors are directly caused by the lack of a government policy in promoting philanthropy, others are related to the general culture of giving for public causes, while also internal elements of CSOs play a role in this. Perceptions from CSOs rank the undeveloped culture for donations and the lack of strategies or public policies for philanthropy as the main challenges for philanthropy, while only 4.7% of the CSOs surveyed believe that philanthropy is developed in Kosovo.

---

53 On Prevention of Money Laundry and Fighting the Financing of Terrorism, Law 05/L-096, Article 29



(Fig.45: CSO assessment of the environment for philanthropy in Kosovo – Source: CSO Survey)



## Perceived impact

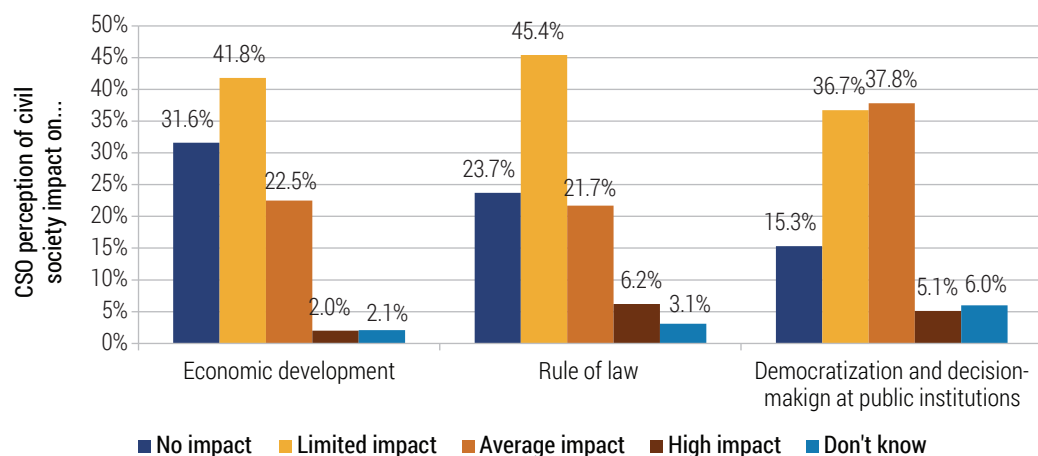
Kosovar civil society has limited influence on issues that are of major concern to citizens, such as economic development and the rule of law. Interestingly, civil society seems to have a more critical standpoint towards itself compared to those outside of the sector when assessing its influence in these areas. Higher influence is perceived in the area of democratization. In contrary to the perceived influence, transparency and accountability, and the rule of law are the areas where civil society is perceived to be most active. Civil society maintains good communication with public institutions relevant for their area of work, yet this does not translate into sufficient access to information and involvement in public consultations in the policy-making process. While larger CSOs are more exposed to the policy-making process, the influence of the sector remains limited.

As in previous rounds of the Civil Society Index, the study measures the perceived impact rather than the impact of civil society. This is due to the fact that the real impact in any given field is dependent on a variety of factors and cannot be attributed only to one initiative or sector. Furthermore, while some CSO activities may have visible results in a short period of time, many other initiatives produce some tangible results only after many months or years following the actual intervention. Nevertheless, by measuring a number of specific indicators, some insight can be gained in regard to the perceived impact of the sector.

## Responsiveness

All the studies over a number of years now confirm that the main concerns of Kosovar citizens are related to economic development (unemployment, living standard, social issues, etc.) or rule of law (corruption, justice system, nepotism, human rights, etc.). As an integral part of society in general, civil society is expected to respond to the main concerns of citizens, in addition to promoting other issues and values. For this reason, the study analyses whether civil society is responsive to the main concerns of citizens, as well as decision-making in public institutions, a very important part of the values promoted by civil society in Kosovo and beyond.

Based on the perceived impact of civil society in three categories, the CSOs surveyed were most positive about the democratization of decision-making at public institutions, while they were less positive about economic development. Similar to previous years, the perceived impact of civil society on economic development is rather limited (41.8%) or with no impact (31.6%), with only a quarter of CSOs perceiving the impact of the sector as average (22.5%) or high (2%). The perceived impact on the rule of law is more positive, with lower percentages reporting limited impact and higher percentages reporting high impact.

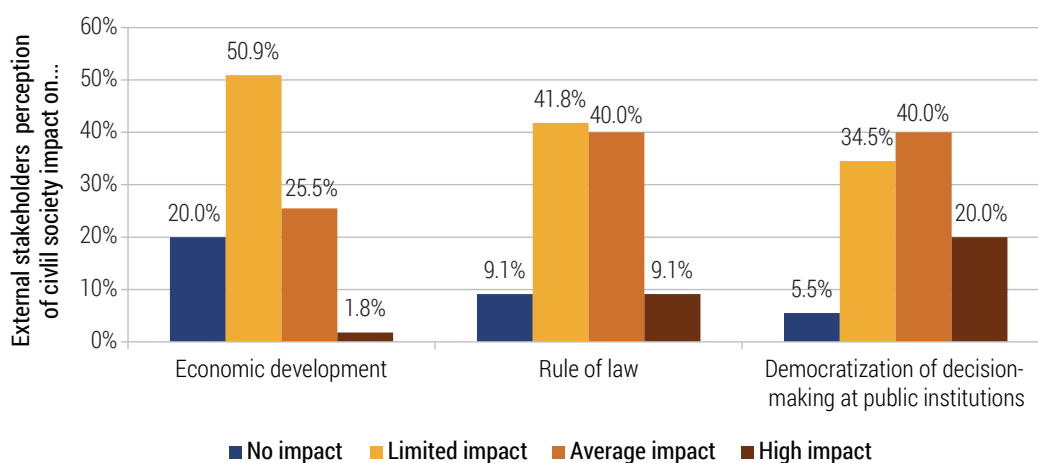


(Fig.46: CSO perception on civil society influence in areas of main concern for citizens – Source: CSO Survey)

Both of these indicators have decreased slightly compared to 2011 and 2014, which may be a result of the deteriorating political situation in the last two years. Other studies confirm that

dissatisfaction with the political direction of the country has increased significantly (42.5% in April 2014; 68.4% in September 2015), while favourable citizen perception of the institutionalization and improved democratic processes in Kosovo has halved during the same period (33% in April 2014; 15.4% in September 2015).<sup>54</sup> Nevertheless, the approach and activities of civil society in these two areas has not seen any significant change and similar challenges remain. Despite intensive activity from many CSOs both in economic development and in particular in the area of rule of law, civil society has very limited means available to impact change in these areas.

Interestingly, civil society seems to have a more critical standpoint towards itself compared to those outside of the sector. The External Perception Survey reveals a more positive perception of the impact of civil society in each of these areas, in particular in the area of rule of law. Around half of them believe that civil society had an average impact (40%) or high impact (9.1%) on rule of law.



(Fig.47: External stakeholders perception on civil society influence in areas of main concern for citizens – Source: External Perception Survey)

The FGD with random citizens revealed interesting perceptions about the responsiveness of civil society. Many participants emphasised that civil society deals more with political issues rather than the daily concerns of citizens. When they were asked about what they base their perception on, it appeared that civil society for them is “some CSO leaders that appear regularly on political TV shows”. According to them, this occurs due to the importance of media exposure to raise the individual profile of CSO leaders, who might later consider entering politics. However, further discussion revealed that many of the activities the participants would be interested in were actually conducted by civil society, but they were not informed. This indicates a low level of outreach to citizens, in particular from those CSOs who are not dealing with issues related to daily politics, but with initiatives of interest to citizens that often receive little media coverage.

<sup>54</sup> Public Pulse Report. United Nations Development Programme. X ed. Pristina, Kosovo: UNDP, 2015, p. 3 & 6 [http://www.ks.undp.org/content/kosovo/en/home/library/democratic\\_governance/public-pulse-10/](http://www.ks.undp.org/content/kosovo/en/home/library/democratic_governance/public-pulse-10/)

## Perceived impact

Beyond the main topics of concerns for citizens, CSOs are active and influential in many other areas. Previously, the areas where civil society was perceived to have greater influence were democratisation, followed by gender equality and support to poor and marginalized groups. Democratisation remains at the top, far ahead of other topics dispersed in a variety of areas.

Democratization tops the list in terms of the share of CSOs that selected it as civil society's major area of impact (selected by 26% of CSOs), followed by rule of law with 7% of CSOs, human rights with 5% of CSOs, and gender equality, women's rights and empowerment, culture, youth and sports and transparency, each selected by 4% of CSOs. More than three quarters of CSOs share the opinion that the impact of civil society organizations in these areas was high (20% of CSOs) or average (57%).

Democratization	26%	Activism/citizen's participation	2%
Rule of law	7%	Agriculture	2%
Human rights	5%	EU integration	2%
Gender equality and women's empowerment	4%	Cooperation government-civil society	1%
Culture, youth and sports	4%	Environmental protection	1%
Transparency	4%	Minorities	1%
Education	3%	Humanitarian aid	1%
Monitoring (of institutions' work)	3%	Persons with disabilities	1%
Economic development	3%	Security	1%

(Fig.48: CSO perception on main areas of influence of civil society in general – Source: CSO Survey)

The above is measured based on the perception of the surveyed CSOs on the impact of civil society as a whole. However, when asked about the impact of their own organizations during 2015, the perceptions are rather different.

As the table below shows, education tops the list with 11% of CSOs selecting this topic as their own most influential area, while other topics are widely dispersed. The CSOs surveyed stated that for the topics they were most influential they had an average impact (60%) or high impact (18%).

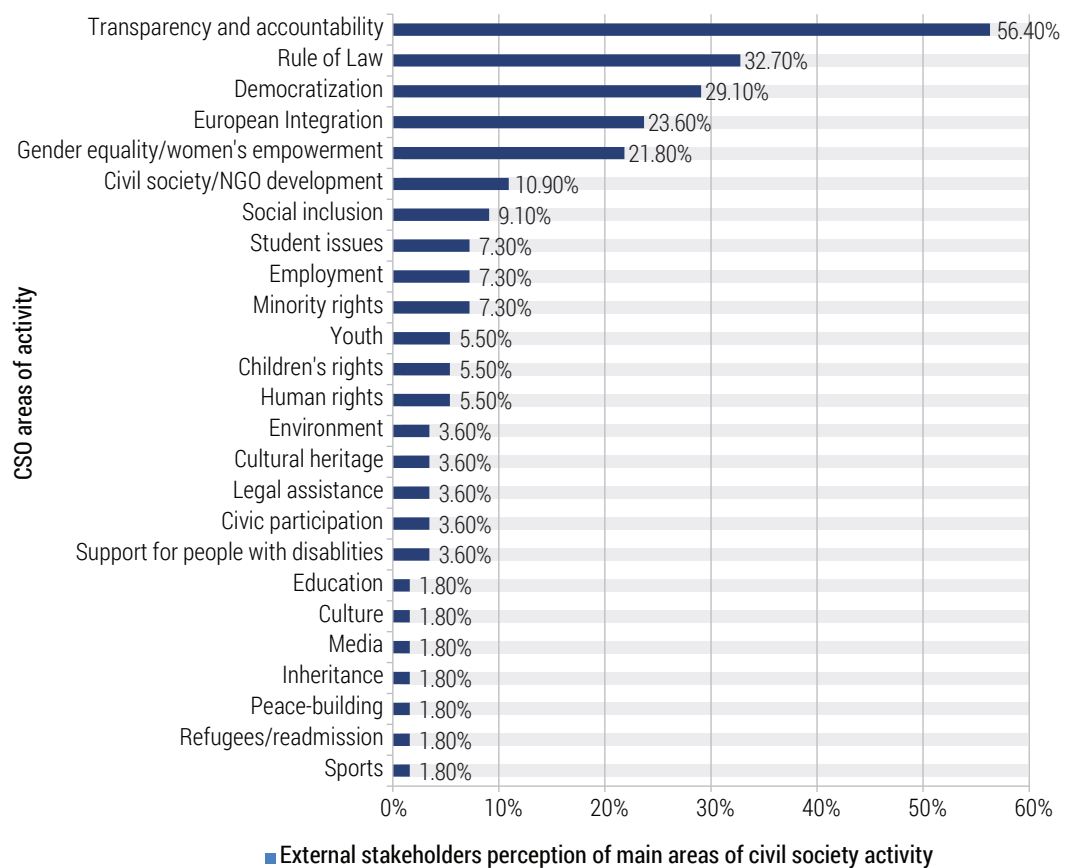
Area	% of CSOs	Area	% of CSOs
Education	11%	EU integration	2%
Capacity development of civil society	6%	Citizens' participation	2%
Economic development	5%	Social services	2%
Raising awareness on their areas of work	5%	Healthcare	2%
Agriculture	4%	Transparency	2%
Democratization and rule of law	4%	Economic empowerment of minorities	1%
Environmental protection	4%	Social dialogue	1%
Other	4%	Inter-ethnic relations	1%
Gender equality	3%	Housing	1%
Humanitarian aid	3%	Public spaces	1%
Human rights	3%	Science	1%
Minority rights	3%	Inheritance	1%
Child protection	2%	Tourism	1%
Youth	2%		

(Fig.49: CSO perception on main areas of influence of their organization – Source: CSO Survey)

While there are no data on the specific areas of activities where civil society in the northern part of Kosovo is perceived to have had the most impact, these organizations have no consensus about their impact in general. A few CSOs participating in the focus group discussions believe that their role is important considering the weak institutions in the northern part of Kosovo, which the CSOs have to support continuously. Another CSO had the opinion that the CSOs can only influence other organizations and that their impact is limited in other areas. Nevertheless, the CSOs in the northern part of Kosovo have a common belief that they are less powerful in influencing developments compared to organizations in the rest of Kosovo. The ethnic composition, background and experience in working with government institutions and raising civic awareness were all listed as important in enabling CSOs to have any influence. Willingness of central level institutions to collaborate was also cited as important. Furthermore, they commonly believe that the effectiveness of civil society in the northern part of Kosovo needs to be improved and that it is greatly hindered by the generally uninformed, misinformed or disengaged public who have a very negative perception of civil society, considered by many as a sector “*paid from all sides*”.

The perceived impact is not necessarily related to the level of activity. The level of activity was measured by the perception of external stakeholders, namely by asking them which areas they believe civil society was most active during 2015. As the table below shows, this is the case with many topics where civil society has been very active, but the level of activity does not correspond with the level of perceived influence.





(Fig.50: External stakeholders perception on main areas of civil society activity – Source: External Perception Survey)

Similar to previous studies, transparency and accountability, and rule of law are ranked highest in terms of level of activity, but the same is not the case when it comes to perceived influence. This is mostly due to the limited tools of civil society to address these issues and the dependence on many other factors beyond civil society's control. To illustrate this, many times civil society has publicly exposed the lack of transparency or corrupt practices, providing details of misconduct. However, this was the limit of civil society activity and no follow-up actions from competent institutions followed.

## Advocacy

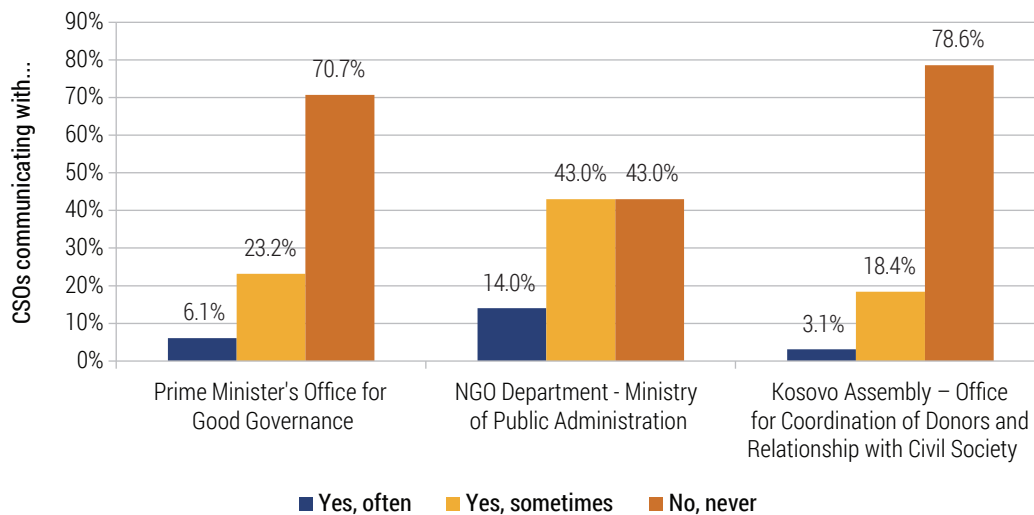
While civil society activity targets many layers of society, an important part of its work is focused towards public institutions and the policy-making process. Advocating for certain causes and issues requires a number of preconditions. This study addresses the entire cycle from communication with relevant public institutions to access to information to direct involvement in policy making.

Initially, the CSO Survey measured the level of communication between CSOs and the public institutions relevant for their work. The results of the survey show that there is a solid level

of communication, although still not at a satisfactory level. More than half of the surveyed CSOs stated that they communicate with public institutions that operate within the same field regularly (17%) or frequently (34%) by exchanging information, holding meetings, organizing joint activities, etc. However, more than a third of them (37.4%) communicate rarely and 11.1% do not communicate at all with relevant public institutions regarding their work.

A more diverse situation is present in the northern part of Kosovo. While communication with local institutions is more positive, the communication and collaboration with central level institutions is quite challenging. For a number of CSOs participating in the FGDs in the northern part of Kosovo, the main reason for not monitoring the work of central institutions is the belief that they are unable to have any influence and the lack of readiness of these institutions to collaborate. These CSOs complained about the lack of feedback when contacting central institutions, often receiving delayed information with limited opportunities to complain. Very few CSOs reported having good relations with any institutions, even including the Office of the Language Commissioner and the Magistrate Court of Mitrovica. One of the participants in the FGDs noted that “*They always need to be chased*”, a comment that was supported by the rest of the participants.

Interestingly, the level of communication is even lower with public institutions that are mandated to work with civil society. With no such institutions at the local level,<sup>55</sup> central institutions are lacking needed outreach to the sector. Both the Office for Good Governance at the Office of Prime Minister and the Assembly Office with relations to civil society have contacts with only around a quarter of civil society. The NGO Department within the Ministry of Public Administration has more communication with CSOs, but due to the mandate of this department the communication is limited to NGO registration issues rather than other issues related to CSOs’ work.



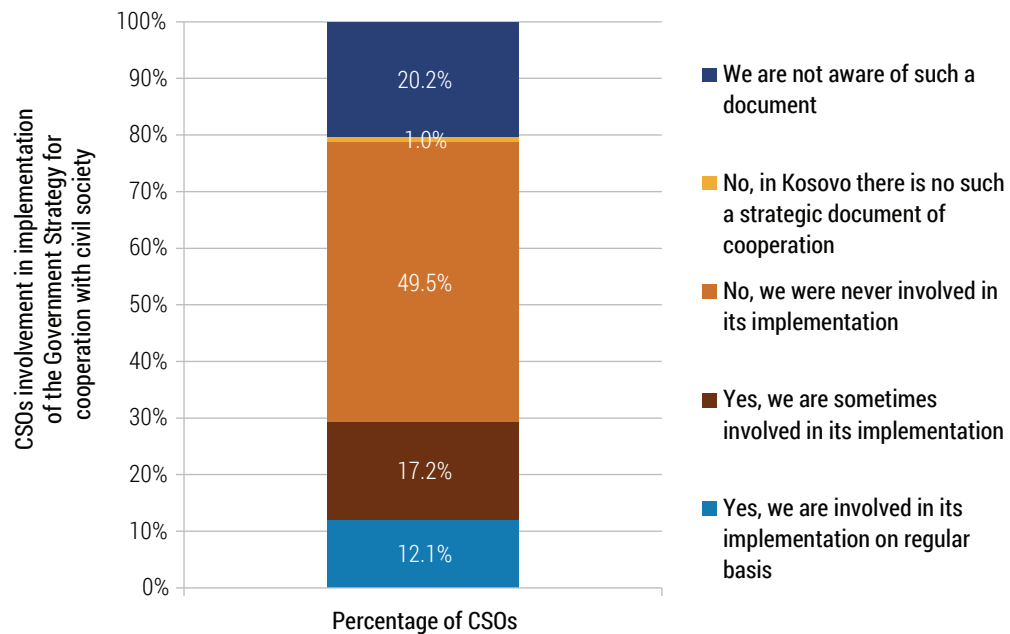
(Fig.51: Communication of CSOs with state institutions responsible for cooperation with civil society – Source: CSO Survey)

More in-depth analysis of the experience of CSOs with regard to communication with institutions for cooperation with CSOs reveals that older CSOs have higher levels of communication.

55 The Municipality of Mitrovica South is the only municipality having a civil society contact person.

This correlation is not visible for CSOs registered during the last five years, only for CSOs with more than six or seven years of experience.

To illustrate the lack of outreach, the main government document related to civil society is the Government Strategy for Cooperation with Civil Society 2013-2017. Although now in its third year of implementation, less than 30% of the surveyed CSOs have been involved in its implementation. Another worrying statistic is that more than 20% of CSOs are not even aware that such a document exists.



(Fig.52: Involvement of CSOs in the implementation of the Government Strategy for cooperation with civil society 2013-2017 – Source: CSO Survey)

## Access to information

Access to information is the basic precondition for any potential involvement of civil society in policy-making. Without knowing what is going on within government institutions, it is difficult to expect any reaction or contribution from external parties, including civil society.

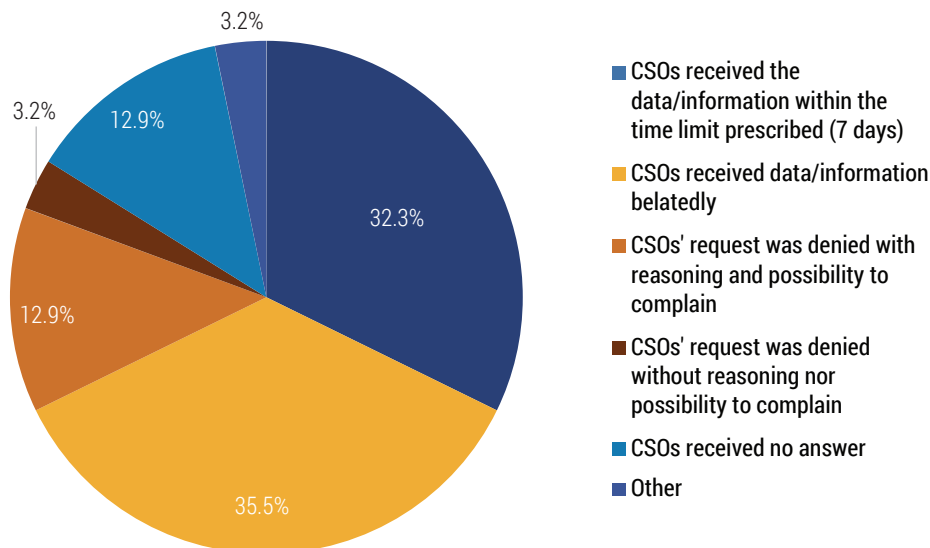
The legal framework regarding access to public information is rather positive. Access to Public Information is a constitutional right, guaranteed by Article 41 of the Constitution. The Law 03/L-215 on Access to Public Documents obliges all public institutions to publish all adopted documents, while an Administrative Instruction on the content of websites of public institutions, adopted in May 2015, also obliges publication of the annual work plans as well as the draft normative acts for the purpose of public consultations. When it comes to requests for access to public documents, there are solid legal procedures and mechanisms, including a seven day timeline for public institutions to respond. This law contains clearly prescribed monetary sanctions for civil servants and institutions breaching the legal requirements for access to public information.<sup>56</sup>

<sup>56</sup> Monitoring Matrix on Enabling Environment for Civil Society Development: Kosovo Country Report 2015. Report. Kosovar Civil Society Foundation. KCSF, 2016.40

According to the Ombudsperson Annual Report for 2015, access to public information remains a challenge for three main reasons: 1) the content of the Law remains unclear; 2) the responsible officers are negligent towards the requests for access to public information; and 3) citizens lack information on their right for access to public information.<sup>57</sup>

In general, the amount of information available from public institutions is very low. Although the legal framework requires proactive publication of many types of information by public institutions (without the need to request it), only 20% of the surveyed CSOs stated that they were informed extensively (3%) or sufficiently (17%) by public institutions on the latter's work related to CSOs' focus areas.

On the other hand, only 30% of the surveyed CSOs stated that they requested access to public/official information during 2015. Their experience is diverse, although two-thirds of CSOs that have made such a request have been granted access to the requested information. Nevertheless, issues remain regarding delayed access to the requested information (36%) or the lack of response from public institutions (13%).



(Fig.53: Experience of CSOs that submitted a request for access to public information during 2015 – Source: CSO Survey)

A FGD with CSOs revealed that while technical information is more accessible, it is very common for CSOs to be provided with irrelevant information or only partial information, any time they make requests for documents that are more sensitive or complex. Problems with access were also reported in relation to ambiguity in document classification and civil servants' incompetence in this regard. At the local level, access is more limited due to multiple layers of governance involved. CSOs also report problems with complaints being addressed as there are no adequate mechanisms in place within institutions to respond.<sup>58</sup>

<sup>57</sup> Annual Report 2015. No:15. Report. Kosovo Ombudsperson Institution, 2016. 39

<sup>58</sup> Focus Group with CSOs on Monitoring Development Effectiveness Principles, 24<sup>th</sup> of March 2016

Similar concerns have been raised by the Serbian CSOs from the northern part of Kosovo. In the FGDs they raised this issue as problematic, claiming that they are either not provided with information or referred to other institutions or bodies, which takes them further from the information requested.

Despite the existence of legal provisions to sanction civil servants who unlawfully deny external parties with access to requested document, implementation of these sanctions has not been reported. Attempts have been made to contact the Kosovo Judicial Council for the 2015 statistics, but no answer was provided. In May 2015, the Basic Court of Prishtina issued a ruling in favour of an NGO regarding the refusal of the Office of the Prime Minister to grant access to public documents. Nevertheless, besides obliging the OPM to provide all requested information, no sanction for the offenders was included in the ruling.

## Participation in policy-making

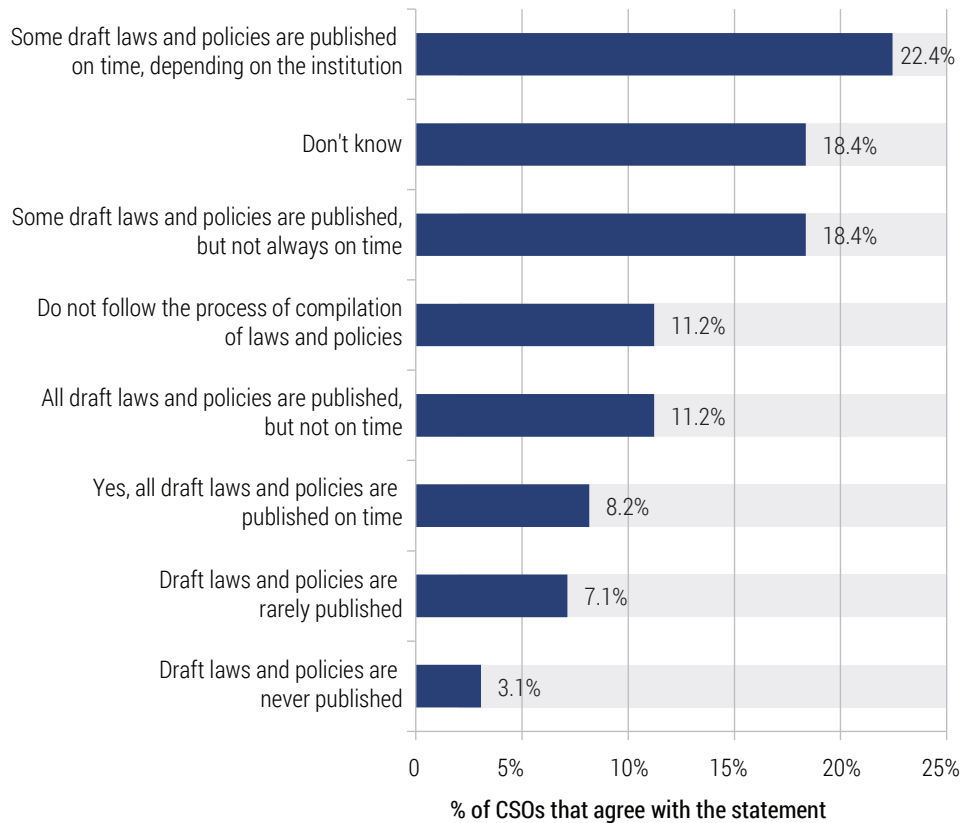
Participation of CSOs in policy-making can be done in a variety of ways, but they are usually engaged via invitations from public institutions for comments or contributions to respective documents. The legal framework in Kosovo requires involvement of CSOs and the public in decision-making at all levels of governance, with exception of the Assembly of Kosovo, where the involvement of CSOs is optional. In addition to the general constitutional requirements, the Rules of Procedures of the Government require public consultations for all draft policies and laws, with adequate and timely information to be provided by the proposing authority, as well as feedback on the consultation results. Moreover, in April 2016 the Government adopted the Regulation on Minimum Standards for the public consultation process, which presents a systematic basis for public consultations from agenda setting, to experts' involvement, to general public consultations, with specific requirements for each of the steps. The Rules of Procedure of the Assembly provide non-obligatory possibilities to invite CSOs to participate in Parliamentary Committees sessions and organize public hearings. The Law on Local Self-Government provides various mechanisms for citizen participation at the local level, including public consultations, sectorial consultative committees, petitions, and public meetings with the Mayor, among others. An Administrative Instruction on Municipal Transparency was adopted at the end of 2015, establishing a number of obligations to ensure municipal documents are published and that public involvement in decision-making takes place. Nevertheless, the provisions in this regulation are very vague and leave space for various interpretations.<sup>59</sup>

The practice of engaging civil society is still unsatisfactory, as often times the policy-making processes do not meet the requirements of the applicable legislation. There are issues both with regard to publishing draft-laws and policies as well as the timeline when they are published. Only 8.2% of CSOs surveyed think that all draft-laws and policies are published on time and 22.4% think that only some draft-laws and policies are published, meeting the

---

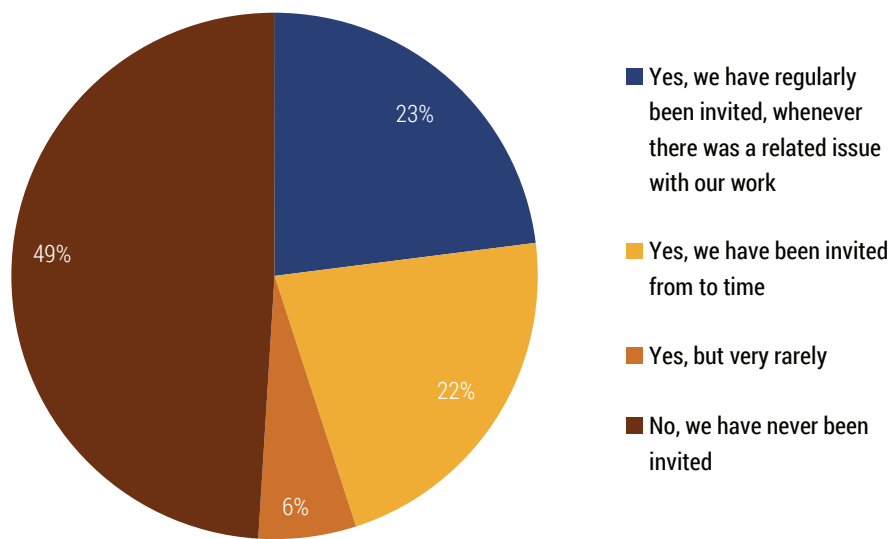
<sup>59</sup> Monitoring Matrix on Enabling Environment for Civil Society Development: Kosovo Country Report 2015. Report. Kosovar Civil Society Foundation. KCSF, 2016.38

legal requirements. More than half of the surveyed CSOs (58.2%) point to issues regarding publishing draft-laws and policies, either at the level of their publication or the timeliness of the publication. Interestingly, almost a third of CSOs are uninformed about this process; 18% stated that they did not know about the legal requirement or practices of public consultation and 11% stated that they do not follow the drafting process of laws and policies.



(Fig.54: Assessment of CSOs on publication of draft laws and policies during 2015 – Source: CSO Survey)

Half of the surveyed CSOs (51%) stated that their organization has been invited to a public consultation by public authorities (such as a consultation meeting, written consultation, round table discussion, etc.). From those who were invited, around half of the CSOs receive these invitations regularly, whenever relevant developments for their field of work have taken place, with the rest being invited from time to time or rarely. The majority of CSOs that were invited have reacted positively to the invitation, as 42% of the CSOs surveyed stated that they had participated in the policy-making process during 2015 (with the vast majority of them being those who regularly receive invitations from public institutions).

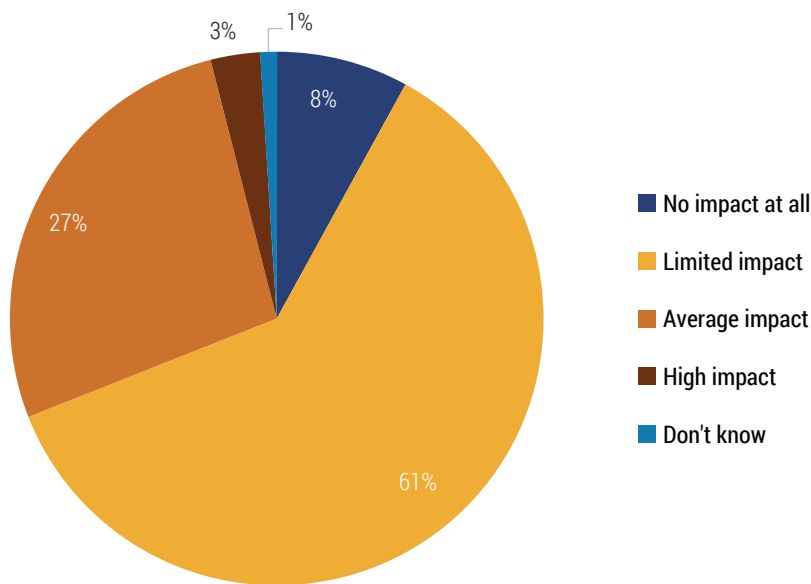


(Fig.55: Invitation of CSOs for public consultations – Source: CSO Survey)

As expected, the larger the geographical area covered or if the CSO interacts with high level institutions, the more likely it is that the CSO is invited for consultations by public institutions. In particular, among those CSOs that are active only in one locality (village or town), 75% have not been invited at all. On the other hand, all CSOs active at the national level, working with several ministries or institutions, have been invited by public institutions during 2015, either regularly (42.9%) or from time to time (57.1%).

Of those who have received an invitation for public consultation, 61% stated that they were consulted at the initial stage of the drafting process for policy or legislation and that they were provided with sufficient information related to the content of the documents. Around half of the CSOs claimed that they were provided with enough time to comment on the draft legislation and/or policies (15-20 working days), very few CSOs (28%) believe that the responsible civil servants were trained and offered useful information and advice throughout consultations. As in previous studies, the level of feedback from public institutions remains worrying. Only 17% of the CSOs whose comments were not taken into account during public consultations reported that they received any explanation/written justification as to why their comments were not taken into account. All of CSOs receiving such feedback are active at the local level, indicating that feedback mechanisms are more common at the local level.

Despite a relatively large number of CSOs participating in drafting policies and legislation during 2015, the majority (61%) believes that civil society impact in drafting laws and policies is limited. This is confirmed also by the finding that only 15% of the CSOs who contributed to a policy-making process report that the comments they provided during consultations were fully accepted (15%), with the majority (73%) declaring that their comments were only partially accepted.



(Fig.56: The CSO perception on impact of civil society in policy making – Source: CSO Survey)

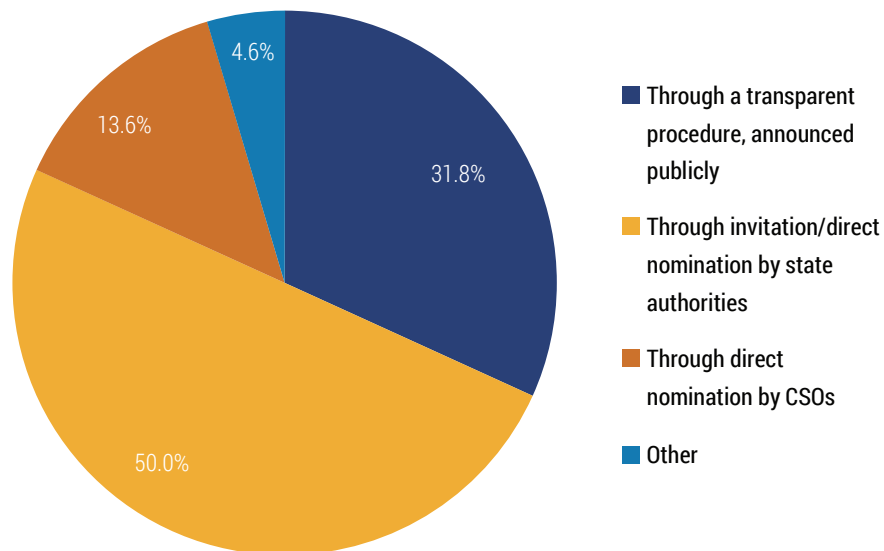
The influence of Serbian CSOs in the policy-making process was also a focal point of this research. The FGDs reveal that these CSOs are very sceptical about their power to influence the decision-making process at the central level in Kosovo. Some CSOs stated that they were discouraged to undertake any initiatives because the Serbian community generally has limited influence over the decision-making bodies and institutions in Kosovo. According to them, this holds true not only for CSOs but also for elected legislators. As one participant of the FGDs stated “*Even the Serbian representatives in Kosovo’s Parliament don’t have the power to influence the decision-makers at the central level*”. Other CSOs stated that they are discouraged because of failed attempts by other CSOs from the northern part of Kosovo in the past.

For CSOs in the northern part of Kosovo, the main problem with participating in drafting process for laws, policies and strategies seems to be the feedback mechanism, either lacking when the CSOs intend to participate in drafting certain laws, or not informing the participating CSOs how their contribution was taken into account. Membership in CSO networks seems to facilitate this process as these organizations forward all the documents requiring comments during the drafting phase to their members. CiviKos Platform, a national network with significant membership also from Serbian CSOs, is a good example of this. The experience with local governments is more positive. Considering their geographical location in the North and ethnic composition, CSOs from this region report a more fruitful cooperation, while some of them stated that they closely collaborate with the municipal governments in the northern part of Kosovo.

In addition to submitting written comments and participating in public meetings organized by public institutions, CSOs can advocate also by becoming part of different working groups or other bodies established by the public institutions. The CSO Survey shows that participation in these bodies is common, although a major portion of CSOs were not part of any working group, council, or consultative body. Only 30% of the CSOs surveyed reported that their representatives were selected to participate in a council or consultative body established by a public institution.



With regard to selection procedures of civil society representatives in such bodies, the situation remains unsatisfactory. Half of those who have participated were invited directly by public institutions, while a third were recruited through a transparent procedure announced publicly. Only 13.6% of them were directly nominated by civil society. Only 13.6% of them were directly nominated by civil society.



(Fig.57: CSO experience with selection procedures in joint bodies established by public institutions – Source: CSO Survey)

Among the CSOs that have not participated in such bodies established by public institutions, the majority (73%) stated that they were neither nominated nor invited. It must however be emphasized that a considerable share, 23%, stated that they were not interested in participating in councils or consultative bodies.



# External Environment

Civil society in Kosovo continues to operate in a largely unfavourable external environment. Kosovo's economy remains underdeveloped and does not generate significant employment. The unemployment rate remains high and Kosovo citizens are among the poorest in the region. The poor socio-economic conditions in Kosovo resulted in an extensive migration wave during 2014 and 2015. The level of corruption and rule of law is perceived to be highly unsatisfactory. Despite the end of Kosovo's supervised independence, Kosovo still remains subject to foreign political, judicial and military organizations. The initial progress with regard to international recognition of Kosovo has recently stagnated. The Parliamentary Elections of 2014 and later agreements with Serbia and Montenegro have resulted in a long period of political crisis. The polarization of the political spectrum has blocked the work of the Assembly of Kosovo for a major part of the last two years. Through signing of the Stabilization and Association Agreement with the EU, Kosovo has marked its first contractual relation with the union. Nevertheless, the progress in its EU accession reforms remains limited. Leader-driven political parties lacking transparency do not give much hope for progress. Satisfaction with the political direction of the country is decreasing, as well as trust towards the main institutions in Kosovo. Despite the above, the readiness of citizens to join public protests is in decline, while the level of interpersonal trust remains very low.

The environment that the civil society sector in Kosovo operates in takes place within a larger context. The social, political and economic context of Kosovo is very challenging and unfavourable for the work of civil society. The sections below present only some of the main issues relating to the external environment that influences the work of civil society.

## Socio-economic context

According to the latest census carried out by the Kosovo Agency of Statistics (2012), Kosovo has 1,739,825 inhabitants, of which 50.3% are men and 49.7% women. Almost 63% of the population in Kosovo is younger than 34 years, making it the youngest country in Europe.<sup>60</sup>

Kosovo remains one of the poorest countries in Europe with the highest unemployment rate despite positive economic growth even after the 2008 financial crisis. With an estimated per capita GDP close to 3,000 EUR, the average per capita income is about one-tenth that of EU levels. The prevalence of poverty remains high. Standardized poverty lines used by the World Bank, defined by a threshold of 5 USD per person per day (at purchasing power parities), lead to poverty rates of about 80% in Kosovo. Using the domestic poverty line of 1.72 EUR per day (2011 data) as defined by the Kosovo Agency of Statistics, 29.7% are considered poor. Widespread unemployment and a lack of quality jobs have contributed to poverty and income insecurity. With an estimated unemployment rate of 35.3% in 2014 and an employment rate of only 26.9%, Kosovo has one of the weakest employment records in Europe.<sup>61</sup> Worryingly, the inactivity rate remains very high. In 2015, the general inactivity rate was 62.4%, with the rate for women at 81.9%.<sup>62</sup>

Economic growth is largely driven by remittances, foreign aid, and public investments in agriculture, without a substantial increase in the demand for labour, which would reduce the pressure of the estimated 20,000 new entrants in the labour market each year. Private sector growth remains limited and is dominated by individual enterprises that employ only one person (56%), and sectors that do not have potential for significant employment generation, retail and wholesale trade (43% of the registered enterprises).<sup>63</sup> The trade deficit remains large; exports were approximated at 325.2 million EUR in 2015, while imports reached the figure of 2.634 billion EUR.<sup>64</sup> Additionally, employed persons remain vulnerable due to the large informality in the economy. A recent RIINVEST Institute study finds that the size of the informal sector in Kosovo ranges between 34% and 37%, depending on whether it is measured by the share of enterprises that evade paying taxes or the share of enterprises that do

---

60 Kosovo Agency of Statistics, Republic of Kosovo, Registration of Population 2011: Main Findings (Prishtina, 2012). Available at: <https://ask.rks-gov.net/sq/rekos2011?download=333:te-dhenat-kryesore>

61 World Bank Country Program Snapshot for Kosovo, April 2016. Available at: <http://pubdocs.worldbank.org/en/419461462386476530/World-Bank-Kosovo-Program-Snapshot-April-2016.pdf>

62 Kosovo Agency of Statistics. Results of the Kosovo 2015 Labour Force Survey. June 2016. 24. Available at: <https://ask.rks-gov.net/en/lm?download=1636:results-of-the-kosovo-2015-labour-force-survey>

63 Oberholzner, Thomas. Report on SME's in Kosovo 2014. Kosovo SME Promotion Programme. 2014. Available at: [http://www.eciks.org/repository/docs/Report\\_on\\_State\\_of\\_SMEs\\_in\\_Kosovo\\_2014\\_99378.pdf](http://www.eciks.org/repository/docs/Report_on_State_of_SMEs_in_Kosovo_2014_99378.pdf)

64 Foreign Trade Statistics 2015. Report. Kosovo Agency of Statistics. Kosovo Agency of Statistics, 2016. 5. Available at: <http://ask.rks-gov.net/sq/tregetia-e-jashtme>

not report their employees to the related state authorities.<sup>65</sup> A similar rate was confirmed by the Minister of Finance, in one of his speeches to the Assembly of Kosovo in March 2016.<sup>66</sup>

The large Kosovar diaspora is a result of a traditional movement of Kosovar citizens to Western Europe and beyond, due to different political and economic circumstances. Nevertheless, a relatively stable trend of migration for a number of years dramatically increased at the end of 2014 and beginning of 2015, with a wave of around 75,000 Kosovars<sup>67</sup> migrating to Western European countries. The UNDP Public Pulse IX Brief found that 75% of those who left Kosovo during the emigration wave in 2014-2015 were men. The majority of their family members in Kosovo reported to the Public Pulse Survey that the main reason for leaving was the poor socio-economic conditions in Kosovo. 45% of the respondents declared unemployment as the main reason why their family members emigrated, 29% selected poverty, 10.5% economic hardship, and 10% pursuit of better futures for their families.<sup>68</sup>

## Socio-political context

During recent years, Kosovo's political landscape saw some peculiar developments. Even though it has been nearly four years since the end of Kosovo's supervised independence by a foreign entity, Kosovo still remains host and subject to foreign political, judicial, and military organizations such as NATO and EULEX. Both of these organizations continue to exert considerable political influence within Kosovo and in the case of EULEX that influence is further emphasized by the executive powers it holds in the judiciary. These executive powers will be gradually transferred to Kosovar authorities at EULEX's discretion, when they see that those authorities have sufficiently progressed in their capacities. Additionally, Kosovo remains challenged in the international arena, as five EU member states and a significant number of the UN member states still have not recognized its independence. Having secured its last recognition in March 2015, the process seems to have slowed down considerably. To this day 111 nations have recognized Kosovo's independence.<sup>69</sup>

According to the annual Freedom House report, Kosovo is still categorized as a Semi-Consolidated Authoritarian Regime, with its score slightly declining to 5.14.<sup>70</sup> On 8<sup>th</sup> of June 2014

65 Zeka, Elda, Premton Hyseni, Julia Leuther, Gent Beqiri, Lumir Abdixhiku, Alban Hashani, and Agon Nixha. To Pay or Not to Pay: A Business Perspective of Informality in Kosovo. Report. Riinvest. Pristina: Riinvest, 2013. Available at: [http://www.fes-prishtina.org/wb/media/Publications/2013/BUSINESS\\_INFORMALITY\\_\\_ENG\\_FINAL.pdf](http://www.fes-prishtina.org/wb/media/Publications/2013/BUSINESS_INFORMALITY__ENG_FINAL.pdf)

66 "31% E Ekonomisë Në Kosovë është Jo Formale." March 2016. Telegrafi. Accessed August 22, 2016. <http://www.telegrafi.com/31-e-ekonomise-ne-kosove-eshte-jo-formale/>.

67 Avdiu, Plator. Departure to the EU Member States: Causes and Consequences of Kosovo's Recent Migration. Report. Kosovar Center for Security Studies. Kosovo: Kosovar Center For Security Studies, 2015. 7. Available at: [http://www.qkss.org/repository/docs/Largimi\\_drejt\\_shteteve\\_an%C3%ABtare\\_t%C3%AB\\_BE-s%C3%AB\\_shkaqet\\_dhe\\_pasojat\\_e\\_migrimit\\_t%C3%AB\\_fundit\\_nga\\_Kosova\\_393497.pdf](http://www.qkss.org/repository/docs/Largimi_drejt_shteteve_an%C3%ABtare_t%C3%AB_BE-s%C3%AB_shkaqet_dhe_pasojat_e_migrimit_t%C3%AB_fundit_nga_Kosova_393497.pdf)

68 Public Pulse Report. United Nations Development Programme. IX ed. Pristina, Kosovo: UNDP, 2015.. Available at: [http://www.ks.undp.org/content/dam/kosovo/docs/PublicPulse/pp9/PPR9\\_Anglisht.pdf](http://www.ks.undp.org/content/dam/kosovo/docs/PublicPulse/pp9/PPR9_Anglisht.pdf)

69 "Njohjet Ndërkombëtare të Republikës së Kosovës - Politika e Jashtme - Ministry of Foreign Affairs - Republic of Kosovo." Ministry of Foreign Affairs. Accessed August 22, 2016. <http://www.mfa-ks.net/?page=1,224>.

70 Gashi, Krenar. Nations in Transit 2015: Kosovo Report. Report. Freedom House. Freedom House, 2015. Available at: <https://freedomhouse.org/report/nations-transit/2015/kosovo>.

early parliamentary elections were held in Kosovo, and they were considered transparent and well organized, an improvement from the municipal elections of 2013.<sup>71</sup> Despite this, after the results were confirmed, due to the major political differences that sparked the early elections, Kosovo entered a period of political gridlock. This gridlock was resolved only after the two major parties, PDK and LDK reached a coalition deal during December 2014.<sup>72</sup> Even though a strong government in numbers, it very quickly met major outcry from the opposition on a number of occasions. Issues such as the demarcation with Montenegro, agreements with Serbia over the Association of Serbian Municipalities, and the perceived unfair judicial treatment through the establishment of the Specialist Chambers & Prosecution office, drove the various opposition parties to form a united opposition.<sup>73</sup> This led to increased polarization between the political forces, something which at times sparked violent incidents.<sup>74</sup> Although the opposition parties are currently not acting as a united front, they still oppose the agreements on demarcation with Montenegro and Association of Serb Municipalities, keeping the political tensions high.

The political dialogue on the normalisation of relations between Kosovo and Serbia, which began in 2012, is continuing, albeit at a much slower pace. Undoubtedly, the most important agreement to come out of this dialogue to this day is the agreement of August 2015 on the establishment of the Association of Serbian Municipalities in Kosovo. Lauded as a landmark agreement by the government and international community, it was vehemently rejected by Kosovo's opposition parties and sparked various protests outside and within the national assembly for the major part of the autumn and winter of 2015.

Although still the last in the region in its EU accession process, over the last two years Kosovo marked solid progress on its road to the EU. In May 2014, the negotiations for the Stabilization and Association Agreement (SAA) between Kosovo and the EU were completed.<sup>75</sup> These negotiations led to the signing of the SAA between Kosovo and the EU on 27 October 2015, marking the first contractual agreement between these entities.<sup>76</sup> The agreement, which foresees a number of contractual obligations on various fields between the two, entered into force on the 1st April 2016.<sup>77</sup> More specifically, the agreement gives Kosovo access to the EU trade area and opportunity to apply EU standards in areas such as competition, state aid and intellectual property.<sup>78</sup>

---

71 Kosovo Legislative Elections. Report. European Union Election Observer Mission, European Union External Action. European Union Election Observation Mission, 2014. Available at: [http://eeas.europa.eu/eucom/missions/2014/kosovo/pdf/eu-eom-kosovo-2014-final-report\\_en.pdf](http://eeas.europa.eu/eucom/missions/2014/kosovo/pdf/eu-eom-kosovo-2014-final-report_en.pdf)

72 Gashi, Krenar. Nations in Transit 2015: Kosovo Report. Report. Freedom House. Freedom House, 2015. Available at: <https://freedomhouse.org/report/nations-transit/2015/kosovo>.

73 "Tash E Tutje, VV, AAK E Nisma, Opozitë E Bashkuar (Deklaratë)." Telegrafi. 2015. Accessed August 22, 2016. <http://www.telegrafi.com/tash-e-tutje-vv-aak-e-nisma-opozite-e-bashkuar-deklarate/>.

74 Kosovo Progress Report 2015. European Commission (EC). EC, 2015. Available at: [http://ec.europa.eu/enlargement/pdf/key\\_documents/2014/20141008-kosovo-progress-report\\_en.pdf](http://ec.europa.eu/enlargement/pdf/key_documents/2014/20141008-kosovo-progress-report_en.pdf)

75 Kosovo Progress Report 2014. European Commission (EC). EC, 2014. Available at: [http://ec.europa.eu/enlargement/pdf/key\\_documents/2014/20141008-kosovo-progress-report\\_en.pdf](http://ec.europa.eu/enlargement/pdf/key_documents/2014/20141008-kosovo-progress-report_en.pdf).

76 Kosovo Progress Report 2015. European Commission (EC). EC, 2015. Available at: [http://ec.europa.eu/enlargement/pdf/key\\_documents/2014/20141008-kosovo-progress-report\\_en.pdf](http://ec.europa.eu/enlargement/pdf/key_documents/2014/20141008-kosovo-progress-report_en.pdf)

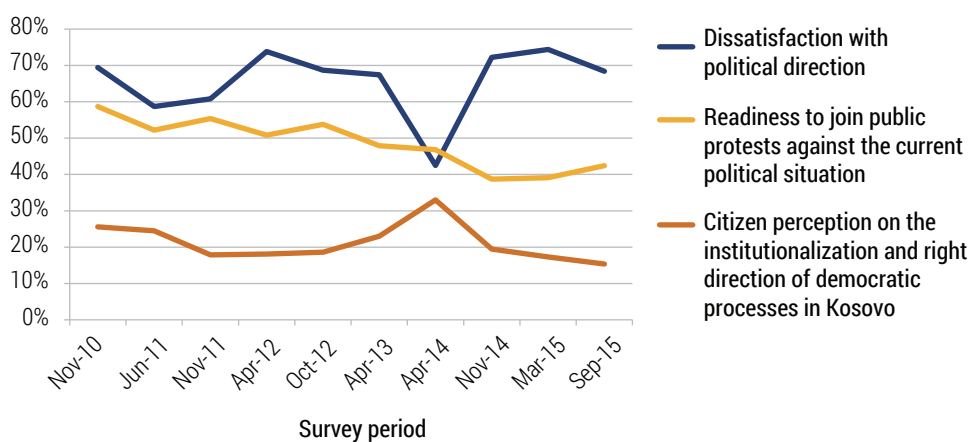
77 "Stabilisation and Association Agreement (SAA) between the European Union and Kosovo Enters into Force." European Commission. Accessed August 22, 2016. [http://europa.eu/rapid/press-release\\_IP-16-1184\\_en.htm](http://europa.eu/rapid/press-release_IP-16-1184_en.htm).

78 *ibid*

With political parties being the most influential political actors, their financing remains the most problematic issue. Mainstream political parties are largely sponsored by private entities while their expense reports are not published, even though there is legislation in place that requires political parties to do so. Despite some attempts to reform their internal organization (e.g. recruiting civil society and media activists just a few months before elections), the political parties are still leader-driven and undemocratic in their decision-making. Given this mind-set, for personal and political interests, they continue to exert influence over public institutions and undermine their independence.<sup>79</sup>

## Socio-cultural context

During 2015 the satisfaction of citizens with the direction of the country decreased further, reaching the lowest levels in a long time. The satisfaction with the work of the Government (17.3%) and the Courts (13.9%) and Prosecutors Office (12.8%) has reached the lowest levels ever, with similar trends for satisfaction with the Parliament (19.9%) and the President (30.4%). While dissatisfaction with the political direction of the country is an increasing trend and the citizen perception of the direction of the democracy is at a very low level, the citizens' readiness to protest against the current political situation is decreasing.<sup>80</sup> Although paradoxical, this signals a worrying gap between the will of citizens for change and their belief that such a change can really be achieved.<sup>81</sup>



(Fig.58: Trends of citizen opinions on political direction, democratic processes and readings to protest – Source: UNDP Public Pulse)

The responsibility for this situation seems clear from the citizens' perspective; the Government of Kosovo (69.5%) and political parties (21.2%) are held as the main institutions

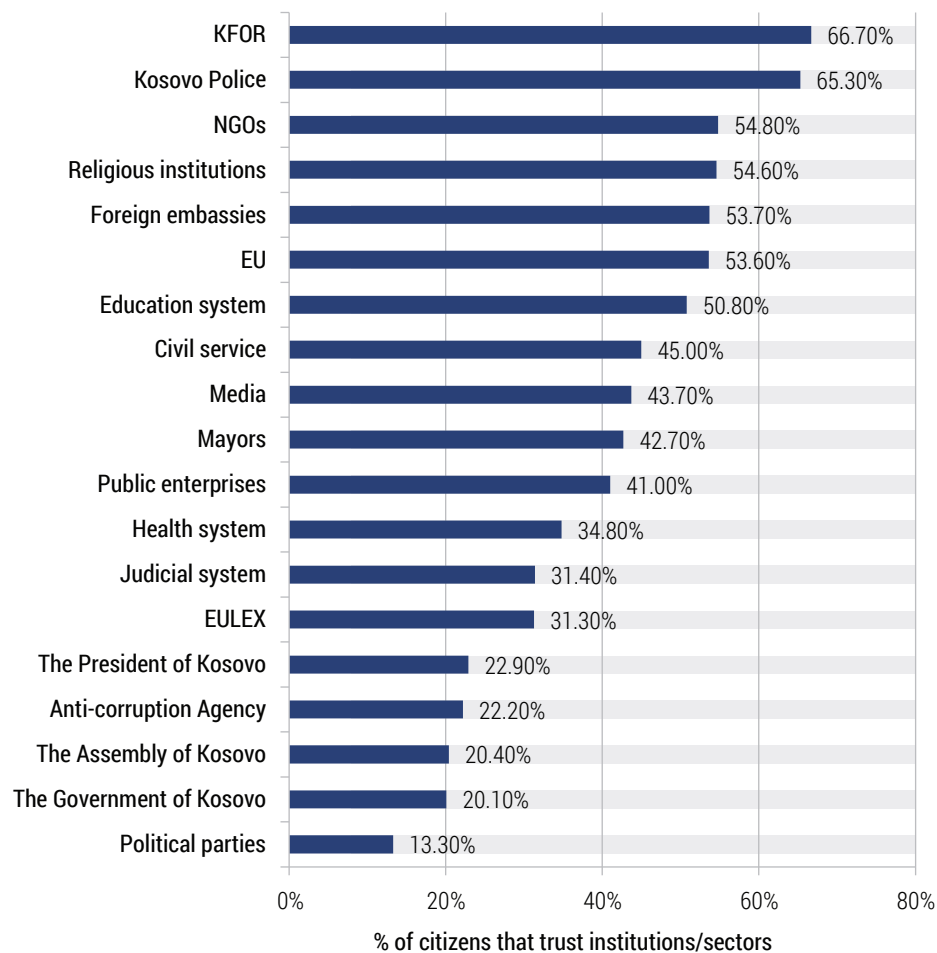
79 Sutaj, Visar, and Artan Canhasi. National Integrity System Assessment Kosovo. Report. Kosovo Democratic Institute. KDI, 2015. Available at: [http://www.kdi-kosova.org/publikime/19-2015-10-31-kdi-tik-nis-eng\\_all\\_single\\_final-3.pdf](http://www.kdi-kosova.org/publikime/19-2015-10-31-kdi-tik-nis-eng_all_single_final-3.pdf)

80 Public Pulse Report. United Nations Development Programme. X ed. Pristina, Kosovo: UNDP, 2015, p.3-7 [http://www.ks.undp.org/content/kosovo/en/home/library/democratic\\_governance/public-pulse-10/](http://www.ks.undp.org/content/kosovo/en/home/library/democratic_governance/public-pulse-10/)

81 Pula, Besnik. "Hendeku i Shpresës." Sbunker. 2016. Accessed August 23, 2016. <http://sbunker.net/teh/88052/hendeku-i-shpreses/>.

responsible for the current political situation. Yet, around 3.5% of Kosovar citizens place this responsibility with civil society.<sup>82</sup>

When it comes to citizens' trust in different institutions, the security institutions (KFOR and Kosovo Police) top the list, followed by NGOs and religious communities. Citizens also trust foreign embassies and the EU, while the least trusted institutions or sectors are the President, the Anti-Corruption Agency, the Assembly, the Government and the political parties.<sup>83</sup>



(Fig.59: Level of trust of citizens in different sectors/institutions – Source: RIINVEST Opinion Poll)

According to the 2015 EU Commission Progress Report on Kosovo, some progress has been achieved in the area of protection of human rights, specifically through incorporation of international standards in the legal framework. Nevertheless, protection of human rights is argued to remain a challenge due to lack of resources and political will, especially at the local level. Among the main shortcomings according to the Progress Report remain gender-based violence and women's limited access to property ownership, the hindrance of rights of the persons with disabilities, lack of investigation of the cases of violence towards the LGBTI

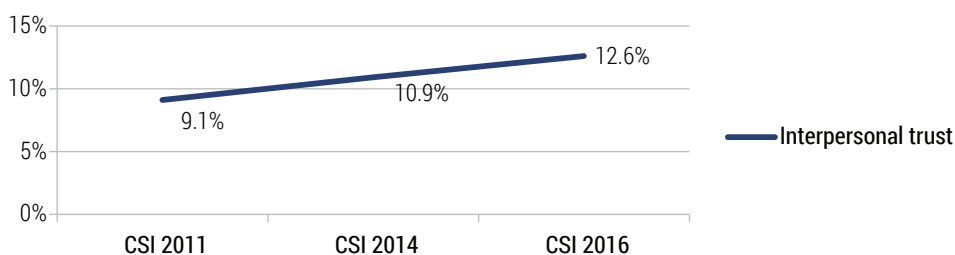
<sup>82</sup> Public Pulse Report. United Nations Development Programme. X ed. Pristina, Kosovo: UNDP, 2015, p.3-7 [http://www.ks.undp.org/content/kosovo/en/home/library/democratic\\_governance/public-pulse-10/](http://www.ks.undp.org/content/kosovo/en/home/library/democratic_governance/public-pulse-10/)

<sup>83</sup> Matja e Opinioneit Publik. Report. Riinvest. Pristina, Kosovo: Riinvest, 2015. Available at: [http://www.riinvestinstitute.org/publikimet/pdf/Opinioni\\_Matja\\_Presentation1450193997.pdf](http://www.riinvestinstitute.org/publikimet/pdf/Opinioni_Matja_Presentation1450193997.pdf)

community and lack of implementation of legislation and strategies pertaining to the rights of minorities.<sup>84</sup> Civil society remains very active in promoting and protecting human rights, in particular with regard to women's rights, people with disabilities, ethnic minorities and LGBTI groups. To illustrate, on 17<sup>th</sup> of May 2015 – the International Day against Homophobia and Transphobia – a number of CSOs organized the third annual march to mark this day.<sup>85</sup>

There are issues also with freedom of expression, in particular the freedom of media. There have been cases of investigative journalists being threatened and asked not to report in certain issues. Vehbi Kajtazi, editor in chief of online newspaper Insajderi has received direct threats from Prime Minister Isa Mustafa.<sup>86</sup> Radio Kosova journalist Serbeze Haxhijaj was threatened because she was investigating whether people who were not war veterans were included on war veteran lists to gain significant pension benefits. Radio Kosova, a public radio station, has not aired Haxhijaj's investigation because of what she describes as censorship.<sup>87</sup> The Public Broadcaster continues to face regular pressure from political actors in Kosovo, in particular by the political parties in power.

Political interference, direct and indirect, remains a concern for the public broadcaster, Radio Television of Kosovo (RTK), and private media outlets. RTK, which is financed by taxpayers and governed by a board appointed by parliament, is seen as a mouthpiece of the government.<sup>88</sup> This is emphasised also by the EU, specifically the previous Head of the EU Office in Kosovo.<sup>89</sup>



(Fig.60: Level of interpersonal trust among citizens – Source: UNDP Public Pulse)

Last but not least, Kosovar citizens are largely cautious when dealing with others. Although with a slight increase during the last five years, the level of interpersonal trust among Kosovar citizens remains very low. Only 12.6% of Kosovars declare that when dealing with others, most people can be trusted, according to UNDP's Public Pulse 9. With the basic element of civil society being interaction between people, this result shows the difficulty of establishing cooperation and joint actions among citizens.

84 Kosovo Progress Report 2015. European Commission (EC). EC, 2015. Available at: [http://ec.europa.eu/enlargement/pdf/key\\_documents/2014/20141008-kosovo-progress-report\\_en.pdf](http://ec.europa.eu/enlargement/pdf/key_documents/2014/20141008-kosovo-progress-report_en.pdf)

85 "17 MAY - INTERNATIONAL DAY AGAINST HOMOPHOBIA & TRANSPHOBIA." CEL Kosovo. Accessed August 22, 2016. <http://cel-ks.org/news/401/17-may-international-day-against-homophobia-transphobia>.

86 "Kajtazi: Po, Kryeministri Më Kërcënoi." Radio Evropa E Lirë. Accessed August 22, 2016. <http://www.evropaelire.org/a/27626234.html>.

87 "Kosovo Watchdog Condemns Threat to Journalist" BalkanInsight. Accessed August 22, 2016. <http://www.balkaninsight.com/en/article/kosovo-journalism-watchdog-condemns-veterans-threat-to-journalist>

88 Freedom of the Press 2015: Kosovo Report. Report. Freedom House. Freedom House, 2015. Available at: <https://freedomhouse.org/report/freedom-press/2015/kosovo>

89 "Zhbogar: BE e shqetësuar për presionet politike ndaj RTK-së." Telegrafi. 2015. Accessed August 23, 2016. <http://www.telegrafi.com/zhbogar-be-e-shqetesuar-per-presionet-politike-ndaj-rtk-se/>.





The Population Survey for the Kosovar Civil Society Index 2016 was made possible by the United Nations Development Program (UNDP) – Office in Kosovo, through including relevant questions in the UNDP Public Pulse 9 Survey.

Supported by:



Schweizerische Eidgenossenschaft  
Confédération suisse  
Confederazione Svizzera  
Confederaziun svizra

Swiss Cooperation Office Kosovo



SWEDEN