



**Government Defence
Integrity Index**



2020

Country Brief:

KOSOVO



KOSOVO

Kosovo is becoming an increasingly prominent security player in the Western Balkans. The approval in 2018 of legislation that paved the way for the transformation of Kosovo's Security Forces into a national army sent shock waves through the region, with Serbia accusing Pristina of "beating war drums".¹ Whilst Serbian threats of occupation have failed to materialise,² the move was momentous in a region that is witnessing spiralling militarisation and renewed great power competition.³ With Kosovo stating its ambition to become a NATO member once its national army is operational⁴ and with the Ministry of Defence's (MoD) budget increasing by six million euros in 2019,⁵ this is a critical juncture for Kosovo.

The budgetary increase was followed in 2021 by another 5% increase compared to the previous year, and the new government's decision to further increase the budget for the MoD by about 48.5% for 2022, to 100 million €. After years of struggling with corruption, poor governance and political dysfunction,⁷ financial investment in defence raises significant corruption risks, especially in the absence of strengthened defence governance and institutional safeguards to corruption. Whilst Kosovo has a strong legislative framework for defence, there remains a noticeable implementation gap, which has resulted in weak parliamentary oversight, poor transparency, secretive procurement procedures and an uncertain environment for whistleblowers. A failure to remedy these issues could see Kosovar hopes for a professional national army be dashed through financial mismanagement and corruption, which could irreparably damage Kosovo's burgeoning regional and international ambitions.

Member of Open Government Partnership	No
UN Convention Against Corruption	Has not signed.
Arms Trade Treaty	Has not signed.

Central and Eastern Europe Overview

As Central and Eastern European states become increasingly integrated with the EU and NATO through membership and partnerships, they are poised to play a key role in the continent's future, and in particular its security and defence decisions. Nevertheless, a combination of acute threat perceptions, rising defence budgets, and challenges to democratic institutions make states in Central and Eastern Europe and the Caucasus particularly vulnerable to setbacks in defence governance, which could threaten the progress made over the past decades. Already, authoritarian governments, particularly in the Western Balkans and Central Europe, have overseen significant democratic backsliding that has undermined the quality of defence governance and heightened corruption risk in the sector. Continuing and frozen conflicts in Ukraine, Moldova, Armenia and Azerbaijan, combined with Russian attempts to exert influence over the region through electoral interference, disinformation and corruption, contribute

to a delicate security situation in a strategically critical region. This will test the quality of defence governance across the region, which though fairly robust, has persistent gaps and deficiencies that need addressing. Weak parliamentary oversight and increasing alignment between the executive and legislature is undermining the quality of external scrutiny, while procurement continues to be shrouded in secrecy and exempted from standard contracting and reporting procedures. Equally, access to information and whistleblower protection systems are increasingly coming under threat and anti-corruption remains poorly integrated into military operations.



1 DW, 'Kosovo Legislature Approves Creation of National Army', *Deutsche Welle*, 14 December 2018.
 2 Andrew Rettman, 'Serbia Threatens to Invade Kosovo, Stirring Bad Memories', *EU Observer*, 6 December 2018.
 3 Sasa Kulenovic, 'Western Balkans and the Return to Arms: Can the EU Stabilize the Region?', *Vocal Europe*, Policy Paper, 3 October 2019.
 4 Vukašin Živković, 'NATO Perspective of Kosovo and Bosnia and Herzegovina', *European Western Balkans*, 8 February 2019.
 5 Die Morina, 'Kosovo Hikes Defence Budget to Fund New Army', *Balkan Insight*, 8 February 2019.
 6 Government's 36th meeting, dated 22 Sep 2021.
 7 Freedom House, 'Kosovo Country Report', Freedom House, Washington DC, 2020, C2.



KOSOVO

Overall scores

The size of the colour band corresponds to number of countries that fall into that category.

KOSOVO SCORE
HIGH RISK

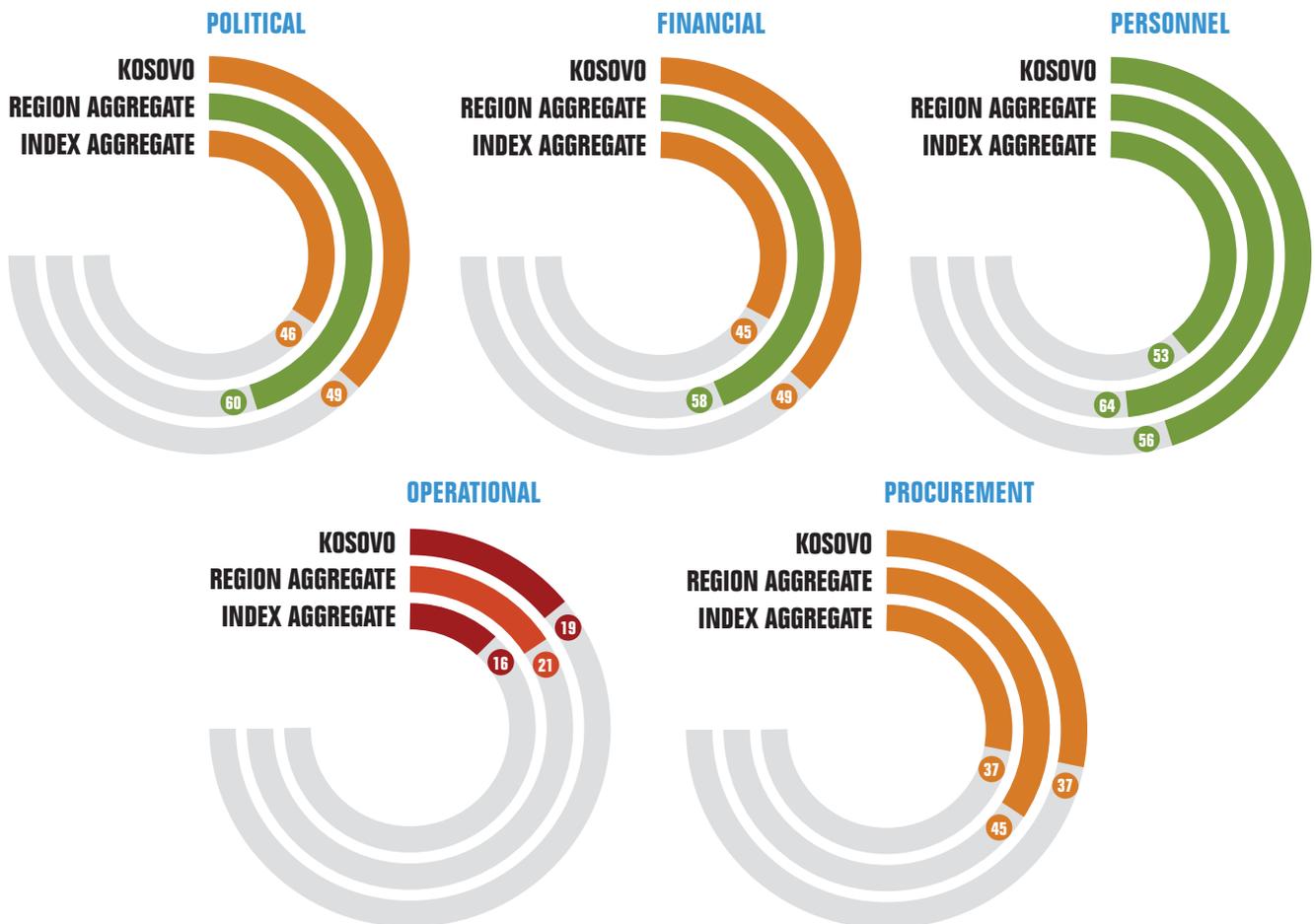
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A > 83-100 VERY LOW **B** > 67-82 LOW **C** > 50-66 MODERATE **D** > 33-49 HIGH **E** > 17-32 VERY HIGH **F** > 0-16 CRITICAL

Risk Comparison





Parliamentary Oversight

Legislative oversight of budget (Open Budget Survey, 2019)	Not rated
Military expenditure as share of government spending (SIPRI, 2020)	3.2%
Committee members with defence expertise %	36% (4/11)
# of meetings/year	9 (2019); 24 (2018); 17 (2017)
Last review/update of defence policy	N/A

Lengthy political deadlock after elections in both 2017 and 2019 have severely affected the National Assembly's legislative and oversight activities.⁸ Kosovo's highly polarised political context in which Assembly members are frequently absent, sometimes due to boycotts, has resulted in regular failure to achieve a quorum, leading to delays in legislating and exercising oversight.⁹ As the European Commission has regularly highlighted, oversight of Kosovo's Security Force (KSF) continues to be insufficient.¹⁰ Though new legislation enhancing the procedures for democratic control of the KSF came into force in 2019,¹¹ as things stand, Kosovo's existing parliamentary oversight mechanisms are weak. The recently renamed Committee on Security and Defence Issues, replacing the Committee on Internal Affairs, Security and Oversight, is responsible for scrutinising defence policy.¹² However, it is expected to oversee the Ministry of Defence (MoD), the KSF, the Ministry of Internal Affairs and the Police Inspectorate, an unreasonably broad scope, especially given the committee's lack of resources and expertise.¹³ Moreover, revelations of close political ties between committee members and the leadership of the KSF raises questions over the committee's impartiality. In the past three years, the committee has failed to launch a single investigation in the sector and has merely reviewed draft laws.¹⁴ There is also no evidence of the committee reviewing internal audit reports, despite the MoD's internal audit unit conducting roughly eight audits per year. Nevertheless, in 2021, the committee did review the MoD's annual performance report, which was presented to it by the Ministry.¹⁵ Finally, with regards to external auditing functions, it should be noted that external audit reports are not submitted to the defence committee and are instead reviewed by the Committee for the Supervision of Public Finance.¹⁶ The National Audit Office, which conducts external scrutiny of defence spending, is relatively active in auditing the sector. Nevertheless, its ability to have its recommendations implemented is limited.¹⁷

Financial Transparency

Defence-related access to information response rates	(1) % granted full or partial access: 100% (2) # subject to backlog: 0
Defence-related complaints to ombudsman/commissioner #	0
Does the commissioner have authority over the MoD?	Yes
Audit reports on defence (2018-2020) #	1 (2018); 1 (2019); 1 (2020)
Open Budget Index (IBP, 2019)	Not rated
World Press Freedom Index (RSF, 2021)	78th out of 180

Kosovo has an uneven record regarding government transparency and access to information.¹⁸ Although it ranks second highest in the Western Balkans for requests for information that are submitted and answered positively, with 56%, the figure remains low internationally.¹⁹ Kosovo's Law on Public Access to Information dates back to 2010 and was complemented by a new Law on Access to Public Documents in 2019.²⁰ It is widely held to be one of the best legislative frameworks in the region, however, information classification criteria are fairly broad²¹ and its implementation in the defence sector remains incomplete.²² Generally speaking, delays in providing information are frequent and the information released can be superficial or redacted arbitrarily. There is a process of appeals and an Ombudsperson who can commend institutions to grant access after a rejection, although a BIRN investigation has revealed that only 45% of such requests resulted in access to the requested documents.²³ However, it should be noted that, with regards to defence, all requests to access information were responded and no cases have been sent to the ombudsperson.²⁴ Nevertheless, some progress has been made in relation to budget transparency. The defence budget includes a breakdown of different lines of expenditure, including related to capital expenditures, such as construction, procurement and acquisitions.²⁵ This is complemented by an online procurement-planning portal (e-prokurimi) where contracting authorities are obliged to publish details for non-classified contracts related to goods, services and utilities.²⁶ However, significant portions of budget expenditure, especially related to capital expenditures, are considered classified, exempting these contracts from publication on the portal and restricting oversight.

⁸ Freedom House, 'Kosovo,' C1.

⁹ European Commission, 'Kosovo 2019 Report', *Commission Staff Working Document*, 216 Final, Brussels 29 May 2019, p. 6.

¹⁰ European Commission, 'Kosovo 2019', p. 7.

¹¹ See *Law No. 06/L-122 on Ministry of Defence, Law No. 06/L-123 on Kosovo Security Force*, Article 15, 2019.

¹² National Assembly, 'Committee on Security and Defence Affairs'.

¹³ Plator Avdiu and Skënder Perteshi, 'Monitoring and Assessing Report: Monitoring and Assessing the Integrity and Internal Governance in the Ministry of Kosovo Security Force and the Kosovo Police', (Prishtina: Kosovar Centre for Security Studies, 2016), p. 44.

¹⁴ European Commission, 'Kosovo 2019 Report'.

¹⁵ Republic of Kosovo, 'VIII Legislature – Spring Session of the Committee on Security and Defence, Meeting No. 3', 5 May 2021.

¹⁶ The Committee for the Supervision of Public Finance's last defence review was on 12 June 2020.

¹⁷ National Audit Office, '2018 Audit Report on the Ministry of Defence', 2018.

¹⁸ Balkan Investigative Reporting Network, *Freedom of Information and Journalists in the Western Balkans: One Step Forward, Two Steps Back*, Sarajevo, 2019, pp. 24-25.

¹⁹ Balkan Investigative Reporting Network, 'Western Balkans Have Yet to Embrace Freedom of Information', *BIRN*, 26 December 2019.

²⁰ Government of the Republic of Kosovo, 'Law No. 06/L-081 On Access to Public Documents', *Official Gazette of the Republic of Kosovo*, no. 13, 4 July 2019.

²¹ Republic of Kosovo, 'Law No. 06/L-081', Article 17; 'Law 03/L-178', Article 4.

²² Furtuna Sheremeti, 'Kosovar Journalists Need to Demand Implementation of their Access to Information', *Kosovo 2.0*, 31 January 2017.

²³ BIRN, *Freedom of Information*, p. 26.

²⁴ In 2020 there were 11 RAI on non-classified information, 0 delays, 0 rejections, according to the response received by MoD to the KDI/TIK request for access to public documents dated 26th of September 2021.

²⁵ Government of the Republic of Kosovo, 'Law on the Budget Appropriations of the Republic of Kosovo for Year 2020', *Official Gazette of the Republic of Kosovo*, No. 1, 19 March 2020, p. 64 and p. 100.

²⁶ Public Procurement Regulatory Commission of the Republic of Kosovo, 'E-Notices Procurement'.



KOSOVO

Personnel Ethics Framework

Whistleblowing legislation	Law on Protection of Whistleblowers (2018)
# defence-sector whistleblower cases	Data is not publicly available
# Code of conduct violations	Military: Data is not publicly available
	Civilian: Data is not publicly available
Financial disclosure system	# submitted: Data is not publicly available
	# of violations: Data is not publicly available

In late 2018, the newly formed Kosovan Army adopted the Law on Protection of Whistleblowers that also covers public bodies, including defence and military institutions.²⁷ Kosovo's legislation is widely considered one of the most complete and best in Europe, however, in practice its prioritisation and implementation remain an issue.²⁸ There is a lack of awareness in the sector as to the mechanisms through which claims can be made. There also significant concerns as to how effectively the law will be enforced and the degree to which protection is guaranteed for those reporting wrongdoing, particularly in a field as sensitive as defence. Elsewhere, anti-corruption provisions are only loosely referenced in codes of conduct. The Code of Ethics for the Kosovo Security Force makes reference to integrity-building measures and conflicts of interest.²⁹ However, it does not provide clear guidance on how personnel should address these issues, and there is no publicly available evidence that such a code exists for civilian personnel. Similarly, aside from a commitment in the 2019-2022 Integrity Plan for the Ministry of Defence,³⁰ there is no evidence that regular anti-corruption training occurs for personnel in the sector. While the commitment in the Integrity Plan is positive, evidence of implementation is needed for it to be considered effective.

Operations

Total armed forces personnel (World Bank, 2018)	N/A
Troops deployed on operations #	N/A

Kosovo currently does not participate in any international military operations, as the Kosovo Security Force is primarily a civil defence group. However, with its gradual transformation into fully-fledged armed forces and the country's aim to become a NATO member state once this process is finished,³¹ the prospect of Kosovar troops deploying abroad in the near future is increasing. Without a sustained emphasis on improving awareness of corruption risk in operations, Kosovar troops will be poorly prepared to counter corrupt practices that may jeopardise their mission. Kosovo currently does not have a defence strategy, and none of its existing strategic documents, including the Ministry of Defence's Integrity Plan 2019-2022,³² recognise corruption as a strategic issue for the success of operations. This is partly because the KSF do not participate in operations. However, an international operational force without anti-corruption guidelines for operations or institutionalised training on corruption risks, jeopardises the success of its missions. It should be noted though that KSF personnel do receive some training on corruption issues, although this is delivered by bilateral partners such as the UK, Norway and NATO and have yet to be fully integrated into the Kosovan armed forces own training package.

²⁷ Assembly of the Republic of Kosovo, 'Law No. 06/L-085 On Protection of Whistleblowers'.

²⁸ Xhorxhina Bami, 'For Whistleblowers in Kosovo, Protection on Paper but not in Practice', *BIRN*, 27 July 2020.

²⁹ Kosovo Security Force, 'Code of Ethics for KSF', 2019.

³⁰ Ministry of Defence, 'Integrity Plan for 2019-2022', 2019.

³¹ Živković, 'NATO Perspective of Kosovo and Bosnia and Herzegovina.'

³² Ministry of Defence, 'Integrity Plan for 2019-2022', 2019.



KOSOVO

Defence Procurement

Military expenditure (US\$ mil) (SIPRI, 2020)	77
Open competition in defence procurement (%)	78.5% (non-classified open procedures); 9.2% (non-classified restricted); 12% (classified)
Main defence exports (to)	N/A
Main defence imports (from)	N/A

Military expenditure represents a relatively small percentage of Kosovo's GDP, but is increasing as plans for the new national army take shape.³³ This will inevitably mean a sharp rise in defence procurement requirements and initiatives to equip and professionalise the new force. However, public procurement in Kosovo remains vulnerable to corruption, with poorly resourced oversight institutions and insufficient monitoring of contracts.³⁴ These issues are also evident in the defence sector, which suffers from high levels of opacity and financial secrecy in procurement procedures. The Ministry of Defence and Kosovo Security Force (KSF) do not publish public procurement plans, making it difficult to determine how decisions and requirements are established. The KSF's Comprehensive Transition Plan (2019-2027) outlines its acquisition plan,³⁵ yet the document is published in

a summarised form and excludes most details and justifications. Secrecy in the acquisition planning process and in the elaboration of procurement requirements is further compounded by weak oversight of the procedures themselves. Kosovo's legal framework has yet to be aligned with the EU's Defence Procurement Directive, although specific regulations were introduced in 2019 to properly manage defence and security procurement, including those subject to classification.³⁶ Oversight institutions also suffer from poor capacity. The Procurement Review Body is responsible for implementing procurement review procedures and is authorised to review and disqualify operators from participation upon written request of a contracting authority.³⁷ However, it is chronically understaffed and two of its five board members are currently suspended due to their indictment in a corruption case.³⁸

³³ 2018 budget – 53,667,393EUR, 2019 budget – 58,688,060 (+9.35%), 2020 budget – 63,602,303 EUR (+8.37%), 2021 budget - 67,317,674 EUR (+5.84% points), Ministry of Finance of the Republic of Kosovo, 'Law on Budgets, Morina, 'Kosovo Hikes Defence Budget.'

³⁴ European Commission, 'Kosovo 2019', p. 63.

³⁵ Ministry of Defence, 'Kosovo Security Force Comprehensive Transition Plan 2019-2027', 2019.

³⁶ Government of the Republic of Kosovo, 'Regulation (GRK) No. 03/2019: On Procurement for Defense and Security Purposes', Pristina, March 2019.

³⁷ Government of the Republic of Kosovo, 'Law on Public Procurement: Article 99 - Functions and Powers of the Procurement Review Body', Pristina, 2011.

³⁸ European Commission, 'Kosovo 2019', p. 65.

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GDI data collection for **Kosovo** was conducted September 2018 to November 2019. The narrative discussion in this GDI brief was produced at a later time with the most recent information available for the country, which may not be reflected in the GDI country assessments or scores.



KOSOVO 2020 GDI Scorecard

		Grade	Score
Political Risk		D	49
Q1	Legislative Scrutiny	D	42
Q2	Defence Committee	E	17
Q3	Defence Policy Debate	F	8
Q4	CSO Engagement	D	42
Q5	Conventions: UNCAC / OECD	F	0
Q6	Public Debate	C	50
Q7	Anticorruption Policy	A	88
Q8	Compliance and Ethics Units	B	75
Q9	Public Trust in Institutions	NS	
Q10	Risk Assessments	A	83
Q11	Acquisition Planning	D	33
Q12	Budget Transparency & Detail	B	75
Q13	Budget Scrutiny	E	25
Q14	Budget Availability	C	58
Q15	Defence Income	B	67
Q16	Internal Audit	D	44
Q17	External Audit	B	69
Q18	Natural Resources	B	67
Q19	Organised Crime Links	B	75
Q20	Organised Crime Policing	B	67
Q21	Intelligence Services Oversight	A	88
Q22	Intelligence Services Recruitment	C	50
Q23	Export Controls (ATT)	F	0
Q76	Lobbying	F	0
Financial Risk		D	49
Q24	Asset Disposal Controls	E	25
Q25	Asset Disposal Scrutiny	B	67
Q26	Secret Spending	F	0
Q27	Legislative Access to Information	E	25
Q28	Secret Program Auditing	F	0
Q29	Off-budget Spending	B	75
Q30	Access to Information	D	38
Q31	Beneficial Ownership	A	100
Q32	Military-Owned Business Scrutiny	A	100
Q33	Unauthorised Private Enterprise	C	50
Q77	Defence Spending	C	56
Personnel Risk		C	56
Q34	Public Commitment to Integrity	E	25
Q35	Disciplinary Measures for Personnel	C	50
Q36	Whistleblowing	C	50
Q37	High-risk Positions	C	50
Q38	Numbers of Personnel	B	67
Q39	Pay Rates and Allowances	E	25
Q40	Payment System	A	83
Q41	Objective Appointments	C	50
Q42	Objective Promotions	B	81
Q43	Bribery to Avoid Conscription	NA	
Q44	Bribery for Preferred Postings	B	67
Q45	Chains of Command and Payment	A	100
Q46	Military Code of Conduct	C	58

OVERALL COUNTRY SCORE

HIGH RISK

D

42



RISK GRADE

- A > 83-100 **VERY LOW**
- B > 67-82 **LOW**
- C > 50-66 **MODERATE**
- D > 33-49 **HIGH**
- E > 17-32 **VERY HIGH**
- F > 0-16 **CRITICAL**

		Grade	Score
Personnel Risk		C	56
Q47	Civilian Code of Conduct	NEI	
Q48	Anticorruption Training	NEI	
Q49	Corruption Prosecutions	D	33
Q50	Facilitation Payments	C	50
Operational Risk		E	19
Q51	Military Doctrine	F	0
Q52	Operational Training	B	75
Q53	Forward Planning	F	0
Q54	Corruption Monitoring in Operations	NEI	
Q55	Controls in Contracting	F	0
Q56	Private Military Contractors	NS	
Procurement Risk		D	37
Q57	Procurement Legislation	D	38
Q58	Procurement Cycle	D	33
Q59	Procurement Oversight Mechanisms	C	50
Q60	Potential Purchases Disclosed	E	25
Q61	Actual Purchases Disclosed	E	25
Q62	Business Compliance Standards	D	38
Q63	Procurement Requirements	D	33
Q64	Competition in Procurement	C	50
Q65	Tender Board Controls	B	75
Q66	Anti-Collusion Controls	D	44
Q67	Contract Award / Delivery	D	38
Q68	Complaint Mechanisms	A	83
Q69	Supplier Sanctions	B	67
Q70	Offset Contracts	F	0
Q71	Offset Contract Monitoring	F	0
Q72	Offset Competition	F	0
Q73	Agents and Intermediaries	C	50
Q74	Financing Packages	E	25
Q75	Political Pressure in Acquisitions	NS	

KEY

- NEI Not enough information to score indicator
- NS Indicator is not scored for any country
- NA Not applicable



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