

European Investors Council Monthly Newsletter



As France has taken the presidency of the EU council, Western Balkans is to put in its agenda. The French Ambassador to Kosovo, Mrs Marie-Christine Butel, in an interview for EIC, points out the EU has made a large number of financial means available to Kosovo in order to reach the objectives listed by the EU. Now, it is up to Kosovo to make a full use of this significant amount of financing possibilities dedicated to public investments and further strengthen its capacities in this regard. -Mrs Marie-Christine Butel, French Ambassador to Kosovo.

France to put Kosovo in its agenda during its EU presidency

January 27, 2022, Prishtina

On January 2022, France took the presidency of the Council of the European Union. To discuss about French presidency for the Western Balkans, the European Investors Council jointly with the French Embassy in Prishtina organized a meeting with Kosovo governing officials and other stakeholders.

Year 2022 was considered by the Deputy Prime-Minister Besnik Bislimi, an important and challenging year for Kosovo. He called it important, because with the French presidency in the EU council, Kosovo could increase cooperation with France, and other EU member states. *"We are interested in French investors. We have noticed a sharp increase in Kosovo's exports, which can also be exported to the French market"*, said deputy-Prime Minister Mr. Bislimi. On the other hand, he emphasized that on top of the pandemic, Kosovo has been challenged with the energy crisis too.

On the other hand, fighting corruption, improving the rule of law, and combating climate change are the core subjects on French agenda for Kosovo, during its EU presidency. The French Ambassador to Kosovo, Marie-Christine Butel, has made this clear during her speech in this meeting. *"Our program focuses on improving Kosovo's security, its youth, and the fight against corruption,"* she said. She also added that there should be strong efforts in helping Kosovo businesses reduce CO2 emission. *"This would have an impact on all the aspects of life, and not just the economy,"* said Ambassador Mrs. Butel.

The Chairwoman of the Board of Directors of the European Investors Council, Mrs. Eriola Bibola, applauded French commitment towards Kosovo during its presidency. *"President Macron's commitment to the Western Balkans is extraordinary,"* she said.

In this hybrid event, virtually from Sofia joined Mrs. Florence Dobelle, the Head of the Danube Balkans Regional Economic Service at French Embassy in Bulgaria. She praised Kosovo institutions on coping with the pandemic, adding that Kosovo leads in the region with vaccination process. Furthermore, she emphasized the importance of green and digital transition. *"It is important to accelerate the green agenda and enhance the competitiveness on*

European companies. The French presidency will continue to work on this, since this is a key priority for the European countries," said Mrs. Dobelle. She noted that one of the key issues in attracting the FDIs is the fight against corruption and informality.

The Chief Executive of the Council, Emrush Ujkani, closed the meeting by saying that strengthening the rule of law would help Kosovo in business development, and in bringing in foreign direct investments.



France to put Kosovo in its agenda during its EU presidency

EIC held its first board meeting for 2022

January 26th, 2022, Prishtine

EIC's annual Plan for 2022 has been presented to the board of directors of the EIC. The executive director, Mr. Emrush Ujkani, said that the plan has been built upon three major strategic pillars, which are having one voice for EU investors, providing expertise and being proactive. *"With the ultimate goal of improving the business sector in Kosovo, EIC will have ongoing active dialogue with the government, addressing and negotiation in solving common problems shared by its members,"* said Mr. Ujkani, during his speech. In addition to the members of the Board, in this meeting present were also honorary members of the EIC, the representative from the EU office in Kosovo, Mrs. AnnaCarin Platon and the representative from the EBRD Mrs. Leonora Kusari.

In the meeting, Mr. Ujkani, stated that EIC will work closely with The EU Office in Kosovo, EBRD and state institutions to advance the process of promoting economic development. EIC will continue to contribute to creating more suitable conditions for the foreign investors.



EIC held its first board meeting for 2022

EIC participates in the “Doing business in the SEE” event organized by Finland

January 25th, 2020

Finish embassies in the South-East Europe countries co-organized series of webinars with the focus on “Doing business in the SEE” The European Investors Council participated in this event where the Enterprise Europe Network, the Helsinki Region Chamber of Commerce, the Finland-Central Eastern European Countries Business Association and Business Finland were invited to share their expertise. The EIC contributed in the discussion on doing business in South East Europe and explore business opportunities in this region, emphasizing the clean-tech and circular economy.

South East Europe has steadily growing markets, next to other European markets where Finnish companies already have their businesses located. During 2021, trade and investments were on good track and expectations in 2022 for economic growth are to pass 4%. The region has competitive cost structure, the proximity to the EU territory makes logistics reliable and cost efficient. In the coming years, EU’s Recovery and Resilience Facility funding for given countries will be about 70 billion euros, and EU’s funding to Western Balkans countries in question will be about 30 billion euros. The annual trade with Finland in the region is more than 1 billion euro, and Finnish companies employ about 10,000 people.

These figures were presented in these webinars where business cases and business opportunities were covered in the following South East European countries: Albania, Bosnia and Herzegovina, Bulgaria, Kosovo, Greece, Croatia, Montenegro, North Macedonia, Romania and Serbia. The aim of these webinars was to bring closer to finish companies the SEE and business opportunities the region offers. EIC will continue to contribute to creating.



France to put Kosovo in its agenda during its EU presidency

EEIC’s meeting with officials from the Mission of Kingdom of the Netherlands in Kosovo

January 2022, Prishtine

In the framework of institutional dialogue and commitment to improve the environment for the foreign investors, The Executive Director of the EIC Mr.Emrush Ukani met with Mr.Ivan Iliev, Regional Economy and Trade Officer - Kingdom of the Netherlands. The discussion was mainly oriented in the continuity of cooperation between the Embassy of the Kingdom of the Netherlands and European Investors Council, as well as cooperating on creating facilities to improve doing business in Kosovo. Among other things Mr.Iliev was informed about the developments, activities and plans for 2022 and also the fields EIC can cooperate with the Netherland Embassy.

Mr.Iliev shared with Mr.Ujkani suggestions and ideas from his perspective for further developments in attracting foreign Investors. The ideas were more than welcomed and the EIC will continue working to contribute creating more suitable conditions.

Interview with the French Ambassador to Kosovo, Mrs. Marie-Christine Butel

January 26th, 2022, Pristine

The unprecedented Covid19 period has hit hard the global economy but also it has created new opportunities, particular for small economies, like Kosovo. Do you consider this a good momentum for Kosovo to be more aggressive in attracting FDIs, including French investors?

Marie-Christine Butel: The pandemic indeed led many companies to question the outsourcing and relocation they operated in the past 20 years, notably to Southeast Asia and in particular to China. The economic recovery is accompanied by disorganisations and an increase in prices for maritime transport, bringing about shortages and a large price rise for industrial goods and consequently for consumers. All this, as well as growing ecological preoccupation, calls into question the current economic model established by a lot of companies in the EU. This certainly constitutes a substantial window of opportunity for countries, which are the closest to the European markets thereby reducing transportation costs and which have a qualified yet less expansive workforce. Hence, Kosovo could very much benefit from the current situation and we can already observe some small and medium new businesses emerging and targeting the French and/or European Market and making best use of this momentum.

What should Kosovo institutions do to improve the environment of doing business in Kosovo and in bringing French investors?

Marie-Christine Butel: To set branches in Kosovo, investors need a safe economic and business climate, which they can trust. Visibility, predictability and legal stability are a must, and they are still often lacking in Kosovo. In this regard, the issue of energy is key: its price and the regularity of electricity distribution are important factors, which heavily influence a location choice and/or the further development of a company already established in the country. Moreover, an increased number of companies in the European Union take on sustainable development and environmental commitments. Thus, they pay particular attention to the country's objectives on de-carbonisations, energy,

waste processing and treatment as well as on environmental norms. Though Kosovo is progressing, a lot could be improved. Another issue could be considered by potential investors: the speed of transportation and delivery of goods to the EU market, and hence how the border-crossing process is facilitated.

Which sectors would be of bigger interest to invest for French businesses, and are there any potential impactful investors interested to come in the region?

Marie-Christine Butel: Two of the strong French know-how are renewable energies, be it solar- or wind-powered, and waste water treatment. Several French enterprises are already located in the region with a number of projects which are already operational (solar energy, Wind Park...) and Kosovo is certainly a place of interest for them. A particular interest has been expressed in the field of wind power, but the project is struggling to materialize, pending clear decisions by Kosovo authorities to proceed further. Additionally, there is a major project of wastewater treatment plant for Pristina area, which preliminary phase will hopefully starts soon.

Kosovo remains the only country in the region under visa regime, which inevitably is creating difficulties for Kosovo businesses who want to penetrate into the EU market. Where does Kosovo stand in the visa liberalization process, and has the French position changed in any nuance? What should be done to move further with this process?

Marie-Christine Butel: First off, I would like to emphasize that the issuing of visas is facilitated for Kosovar entrepreneurs willing to work on the EU market. This being said, the European Commission and the European Parliament gave a favorable opinion for visa liberalization for Kosovo, based on a technical assessment. Now, the final decision, which is a political one, is that of Member States. A qualified majority of the Council of the European Union has to vote in favor of visa liberalization. France, together with the Netherlands, is one of the countries who publicly voiced its reservations. It is however not alone, France cannot block the Council's decision by itself. It is now the role of Kosovo to convince EU Member States of its commitment and the results it has obtained in fighting corruption and organized crime.

In its latest report on economic outlook, the IMF has lined up some structural policies, such as diversifying Kosovo's growth engines, tackling informality, and creating the conditions for greener economic growth, which could mitigate these longer-term effects of the pandemic. Which will be EU's role in helping Kosovo to achieve these objectives?

Marie-Christine Butel: This is also reflected in the priorities of the French Presidency of the Council of the European Union highlighting the key role of public investments in order to recover from the crisis and at the same time increase potential growth in a sustainable manner. Those priorities are also encompassed in the Agenda for the Western Balkans that was adopted in Sofia in November 2020. Though its Economic and Investment Plan for the Western Balkans and its Instrument for Pre-accession Assistance (IPA) the EU has made a large number of financial means available to Kosovo in order to reach these objectives. It is now up to Kosovo to make a full use of this significant amount of financing possibilities dedicated to public investments and further strengthen its capacities in this regard. The authorities pointed out that they intend to prepare a list of key infrastructures projects and accelerate their implementation in close coordination with donors, which is a positive signal in that direction. It should be accompanied by the implementation of the IMF's Public Investment Management Assessment, an indispensable tool to achieve progress: it will ensure the alignment of national strategies with the budget through multi-annual planning.

For more than a year, the European Investors Council is publishing a monthly newsletter, bringing professional views of our valuable members, activities of EIC and success stories of foreign companies in Kosovo. How relevant are such media products and information for foreign investors?

Marie-Christine Butel: It is essential. Foreign investors do not necessarily know Kosovo or at least well enough, or they may carry many misconceptions and stereotypes. Investors from countries with an important Kosovar diaspora are maybe more knowledgeable, but I can say that in general French companies do not know Kosovo well. It is hence capital that they have access to updated and transparent information on Kosovo business environment.

The New Year has just started, what would be your message for our readers?

Marie-Christine Butel: To European and foreign companies: Kosovo has many economic strengths, assets and opportunities, which certainly deserve your attention. To Kosovo political and economic stakeholders: you are the ones who can convince investors of all the potentials of your country, including through economic diplomacy. In other words, you should trust Kosovo's capacities but also foster trust and confidence among investors.



France Ambassador to Kosovo, Mrs. Marie-Christine Butel

Slovak mission in Kosovo interested to boost circular economy

- The head of the Mission at the Slovak office in Prishtina visited the EIC members, KIVO and REX

EU missions in Kosovo continually show their interest in supporting European businesses operating in Kosovo, and the European Investors Council is bridging the process.

At the start of 2022, a delegation from the Slovak mission in Kosovo, led by the head of the Mission of the Liaison Office of the Slovak Republic to Prishtina, Mr. Rastislav Kostilnik accompanied by the head of EIC, Mr. Emrush Ujkani, paid a visit to the two of EIC members, KIVO and REX, which are the biggest employer in Kacanik and Ferizaj, in Southern Kosovo. Impressed by the achievement in circular economy of sister-companies KIVO and REX, Mr Kostilnik said that “KIVO could serve as a good example of sustainable production, consumption and efficient use of resources,” adding that his office welcomes the future co-operation. He also expressed his interest in working closely with EIC to improve the investment climate of Kosovo.



FIDES award goes to IPKO for its philanthropic approach in helping beat cancer

Cancer remains the worst threat to our health, and for the worst, the treatment is unbearable for most of affected people. To fight this terminal illness there's a need for community mobilization. At EIC, we're proud to say that our members have the social responsibility integrated in their business policy. - EIC

IPKO has received the FIDES award for contribution to philanthropic activities, for donating a sophisticated ultrasound system to the Oncology Clinic of QKUK, an event organized annually by the Forum for Civic Initiative to evaluate all contributors to society and to stimulate as much as possible many businesses and individuals to share their goods with the rest of society.

During an awards ceremony, held under conditions dictated by pandemic prevention measures, IPKO Public Relations Advisor Afrika Zyferi thanked the Civic Initiative Forum for awarding this award and for their continued commitment to building an active and healthy citizenship.

"We at IPKO believe that for a successful long-term business, it is very important to be connected to people and the community and to support their overall development. Even in these times, when all businesses and the economy were severely affected by the pandemic, IPKO remained committed to its corporate goals and values. Our social responsibility is one of our strongest assets. The donation of this equipment was a dedication for all women of Kosovo and especially women in IPKO, who are the driving force in our company", said Mrs. Zyferi.

According to statistics, breast cancer dominates with 400 new cases per year and is the most prevalent in Kosovo. This ultrasound is critical to shorten the waiting period for patients who are in line for screening, a period which is crucial for cancer detection and increases chances of survival.

IPKO, for many years, has initiated and supported various causes related to the health sector. Some of the main contributions of IPKO in the health sector are: donation of medical equipment in 20 pediatric units, main centers for family care, in different municipalities of Kosovo and donation of 5 incubators for the Pediatric Clinic in QKUK, where all together amount to about 200 thousand euros.

IPKO is a great contributor to society, always initiating and supporting various causes with the main theme, health, education and sports.



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