

European Investors Council Monthly Newsletter



A sound credit guarantee fund is crucial in filling the financing gap for small and medium-sized enterprises. Kosovo Credit Guarantee Fund (KCGF) is an independent legal entity that provides credit risk mitigation for Micro, Small & Medium Enterprises (MSMEs), by sharing the credit risk with financial institutions. KCGF was launched to strengthen the credit delivery system and to facilitate the flow of credit to the MSMEs sector, enhance access to finance, support entrepreneurship development, and domestic production. This institution plays an important role in supporting the economic development of the country. In an interview for the European Investors Council, the Managing Director of KCGF, Mr. Besnik Berisha, explains the activity of this institution, the role it has played in supporting MSMEs throughout the many financial challenges created especially after the outbreak of COVID-19 pandemic, and its prospects for the future.

Six years from the entry into force of the SAA

The European Investors Council (EIC) has organized a conference on the 6th anniversary of the entry into force of the Stabilization and Association Agreement (SAA), to discuss its impact on the economy of the country. EIC members had the opportunity to discuss the impact of SAA with the Head of the European Union Office in Kosovo, Thomas Szunyog, and the Deputy Prime Minister of the Republic of Kosovo, Besnik Bislimi.

The Chief Executive Officer of EIC, Mr. Emrush Ujkani, noted that SAA remains one of the most important documents in the process of European Integration for Kosovo. According to him, the correct and timely implementation of this agreement is crucial for increasing the competitiveness of the private sector, initially within the region, and later on in the wider European Union. While there are existing companies in the country with high quality products and great potential for export, they benefit very little from the opportunities that SAA provides, said Mr. Ujkani.

Whereas, as one of the keynote speakers, the Head of the European Union Office in Kosovo, Thomas Szunyog, during this meeting noted that with the signing of the SAA, over the last six years Kosovo in cooperation with the European Union has been working on very important processes, including in sectors of trade, employment, and justice. Therefore, according to him, the more the agreement is implemented, the more Kosovo will benefit.

"Ultimately, it is the role of the Government of Kosovo to lead and ensure the fulfillment of all obligations arising from the Stabilization and Association Agreement, with the support and cooperation of the Assembly, civil society and the private sector. The EU is your partner and we are ready to help. Together we can make a difference," noted Ambassador Szunyog.

Whereas, the other keynote speaker, Deputy Prime Minister of the Republic of Kosovo, Mr. Besnik Bislimi, stated that the SAA is a document through which Kosovo has been promised a clear European perspective. He noted that this perspective remains theoretical as long as it is not followed by concrete steps towards membership, adding that in this context the Government of the Republic of Kosovo has decided to apply for EU membership, with solid hopes that the EU will positively respond to this application, especially given that Kosovo is still the only country that has not applied for such a status.

The correct implementation of the Stabilization Association Agreement, according to EIC members present at the conference, is critical for strengthening the private sector. They noted that they are happy to see that this agreement has had a tide of progress in the economic aspect



Six years from the entry into force of the SAA

EBRD President, Odile Renaud-Basso visits Kosovo

On her first visit in Kosovo as President of the European Bank for Reconstruction and Development (EBRD), Ms. Odile Renaud-Basso was hosted by the Innovation Center in Kosovo for a meeting during which she was enlightened about the potential of entrepreneurship and innovation in the country, and the amazing work this center is doing to support that potential.

Representatives of different business organizations in Kosovo were also present in this visit. During this meetup, the Chief Executive Officer of European Investors Council, Mr. Emrush Ujkani, had the opportunity to discuss the strengths and weaknesses of the business environment in Kosovo with Ms. Renaud-Basso, while at the same time sharing EIC's gratefulness for the EBRD's support to the private sector in the country.



EBRD President, Odile Renaud-Basso visits Kosovo

EIC members discuss European Union funding opportunities in Kosovo 2021-2027

The European Union has several funding programs aimed at encouraging development through supporting the growth of crucial sectors, promoting sustainable employment, and fighting social exclusion. Members of the European Investors Council had the opportunity to discuss some of the EU Programmes in which Kosovo currently participates, or is eligible to participate in, during an informative session organized by the EIC, regarding EU funding opportunities. This info session was presented by Mr. Arben Papadhopulli, International Expert on EU funded projects & Union Programmes. The presentation focused on the current situation of EU programmes in Kosovo through 2021-2027, the profiles of the EU Programmes in which Kosovo participates, or will be participating within that time frame, the roles and duties of the National Contact Points (NCP) for these programmes, and EU programmes supporting the private sector.



EIC members discuss European Union funding opportunities in Kosovo 2021-2027

Mr. Andi Batusha, Senior Officer at the Office of the Prime Minister, was also present in this meeting, where he expressed the willingness of the office of the Prime Minister to host such info sessions more often, with private sector, civil society, and other stakeholders, to inform them on how Kosovo can benefit from EU funds.

During this meeting, EIC members were highly interested to learn more details about the available programmes, and the specific benefits the private sector can receive from them, in particular about the Single Market Program (SMP), Horizon Europe Program, and the European Social Fund+ (ESF+).

Interview with Besnik Berisha managing director at Kosovo Credit Guarantee Fund

Kosovo Credit Guarantee Fund (KCGF) is an independent legal entity that provides credit risk mitigation for Micro, Small & Medium Enterprises (MSMEs), by sharing the credit risk with financial institutions. KCGF was launched to strengthen the credit delivery system and to facilitate the flow of credit to the MSMEs sector, enhance access to finance, support entrepreneurship development, and domestic production. This institution plays an important role in supporting the economic development of the country. In an interview for the European Investors Council, the Managing Director of KCGF, Mr. Besnik Berisha, explains the activity of this institution, the role it has played in supporting MSMEs throughout the many financial challenges created especially after the outbreak of COVID-19 pandemic, and its prospects for the future.

1. The private sector in Kosovo is composed almost entirely of MSMEs, which generate job growth in an economy that is otherwise highly reliant on external funding. KCGF provides credit guarantees for these types of enterprises. Where exactly are you today in terms of commitments?

The MSMEs are the most representative and valuable organizational units of a market economy. The same applies to Kosovo, where the MSMEs represent the most crucial segment of the private sector.

Here in Kosovo, due to the significance and the great representation of this segment, whenever we talk about private enterprises in general, we intuitively identify and categorize them as MSMEs. There is a strong ground around this pre-judgment, considering that the private sector is almost entirely composed of MSMEs. These enterprises are said to account for more than 99% of the economy of Kosovo, at the same time contributing more than 75% of all jobs in the private sector, and being the key generator of new jobs for the young generations.

Kosovo is blessed to have such a strong and vibrant private sector, having in mind the importance of the MSME segment not only for contributing to job creation and economic development but also for more fundamental social issues. I will elaborate a bit deeper on this conclusion! These types of enterprises are

limited in finding new ways for efficiently allocating limited sources, hence turning themselves into innovation-baskets for the entire economy. It is this fight for survival that makes these enterprises more resilient and adaptive, whereas unintentionally brings dynamism to the economy, unseen in other forms of economic units, such as large and public enterprises.

The challenging environment for MSMEs, and their fight for survival in the market are the main forces that push positive changes and enable the competitiveness of the national economy. Besides their contribution to the economy, I strongly believe that a strong MSME sector corresponds with a strong middle class in society, as well as serves as a counterbalance to various anomalies in the market. These could be monopolies and oligopolies, or other forms that hinder the free-market forces. Hence, a strong MSME sector gives room to free competition, meritocracy, and knowledge-based activities. As a result, this provides even more natural and fair redistribution in an economy, which furthermore strengthens the middle class and takes care not to create a gap between different classes in society.

It is in the interest of each country to create a favorable business environment for strengthening the MSME sector. One of the main barriers, among many others that MSMEs are facing in pursuit of their growth is access to finance. This becomes even more evident, especially in small and less consolidated economies, where the capital markets do not exist. Access to capital for MSMEs in Kosovo is limited either to internal sources of owners and family members or in debt finance from banks.

The need for addressing access to finance for MSMEs is exactly the reason why KCGF was founded, through a joint initiative between the Government of the Republic of Kosovo, USAID, and KfW. This turned out to be a very adequate decision for the market of Kosovo, because since the establishment of the KCGF, back in 2016, we have guaranteed a loan portfolio in the volume of over EUR 425 million, whereas more than 8,000 enterprises have benefited from our credit guarantee windows.

According to our internal model, the investments which were supported by the guaranteed loan portfolio have generated around 17,000 new jobs in the private sector. Last year, the institution played a crucial

role in the success of the economic recovery program, intending to counter the negative impacts of the crisis created by the pandemic. Moreover, the institution is well consolidated, has independent and professional governing bodies, good practices in managing the risks, and has many more plans to continue giving support to the private sector. Counting all these achievements we cannot be less than proud, however, at the same time, we are very aware that this is just the beginning and there is a lot of work and responsibility ahead of us.

2. The Government of Kosovo leveraged the Credit Guarantee Fund to help MSMEs weather the COVID-19 Economic Crisis. However, KCGF was established some years prior to the outbreak of the pandemic. Can you inform us on the development of the Fund, from then to now?

The outbreak of the COVID-19 pandemic created a lot of problems for all spheres of social and economic life. MSMEs, as an important part of the economy, were exposed to the crisis like no other segment of the market. The contraction of economic activity, because of frequent health and containment policies introduced by the government to curb the virus, had a direct impact on the business activity of MSMEs, which as a result were challenged with liquidity and insolvency problems.

Lending is one of the main instruments for combating the lack of liquidity in the market, stimulating aggregate demand, and consequently supporting the economic recovery during and after a financial crisis. However, in the post-crisis period, banks, due to the higher perceived risk in the market, tighten their lending standards, which inevitably leads to a slowdown in the credit activity or even to a credit crunch. To encourage banks to lend and reduce conservatism, due to new circumstances because of the crisis, a facility is needed – one that provides risk-sharing with the banks and offsets the lack of collateral, which has no value in times of crisis anyway. In such circumstances, no other facility can play a more adequate role than credit guarantees, for three key reasons:

- The risk-sharing facility will boost confidence among banks to start lending.
- The impact of credit guarantees on the real

economy, due to the multiplier effect of these schemes, is much greater than that of other forms of financing facilities, e.g. grants or interest rate subsidies.

- Credit guarantee schemes do not promote misleading economic incentives, as is the practice of other financing facilities which by assuming full responsibility for the last beneficiary (borrower) to repay the loan are dominated by the “free money” syndrome and thus give rise to dependency and inefficiency in the market.

Fortunately, the COVID-19 crisis has found Kosovo with a well-established and well-consolidated institution to provide credit guarantee schemes. The governing bodies of the KCGF, since the beginning of the pandemic outbreak in Kosovo, have proactively taken the initiative to coordinate activities with the Government, international donors, and partner banks, to make necessary changes and make the institution adaptable to new market circumstances, with the ultimate goal to put the institution at the function of minimizing negative effects of the crisis, now very evident in the horizon. Adaptations of existing legislations and increasing the capitalization of the institution, which would be earmarked for supporting the credit guarantee windows within the economic recovery program, were two main steps needed to prepare the institution for proper implementation of the program.

The first change – the adaptation of legislation, was addressed through preparing and ratification of Law on Economic Recovery Program, whereas the increase of the capital, to EUR 21.4 million, was settled from the donation by the Government of the Republic of Kosovo through a project with the World Bank, and from the contribution of the KfW in amount EUR 5 million. The main changes in the legislation which turned out to be crucial to the success of the program, were the increase of guarantee coverage up to 80%, the enabling of farmers to qualify for credit guarantees, and last but not least, the creation of a legal base for subsidizing the guarantee fees for credit guarantee windows.

It is important to mention that the increase of the capital base has enabled the institution, besides the regular activities, to create specific windows under the economic recovery program, which would address

strategic and marginalized segments of the market. This was very important because it aimed not only to support the emergency phase of the economic recovery, but also for giving an impetus to the overall reorganization of the economy, hence taking advantage of the new opportunities created globally, due to the disruption of distributive channels in the global economy. As a result, the Economic Recovery Program (ERP) turned out to be a success, foremost for the production companies, startup enterprises, and enterprises owned or managed by women. All these three segments increased their participation compared to the previous period, whereas their share in the guarantee portfolio of the KCGF was much more representative compared to their share in the overall loan portfolio in the banking sector.

For one year, as long as the guarantee windows within the ERP were valid, we managed to guarantee a loan portfolio of EUR 105.5 million, among 1,720 enterprises. The participation of the production sector in total disbursed volume in the ERP was 28%, much higher compared to other comparative indicators mentioned above. Nothing less was the representation of the windows which were dedicated to women in business and start-up businesses. With a EUR 11.7 million volume of guaranteed loans for women-owned or managed enterprises, and 834 thousand guaranteed loans for newly founded start-up enterprises, we consider it an outstanding achievement.

Other indicators which we use to measure the financial and economic additionality, support that ERP was a success story. The collateral coverage for guaranteed loans was less than 54% compared to unguaranteed loans in the banking sector, and the average maturity for guaranteed loans compared to unguaranteed loans increased for 23%. It is worth noting that 33% of the guaranteed loans during last year were for new clients. Each third client guaranteed from KCGF during the last year, was a new credit client that previously did not have a credit history with any financial institution in Kosovo.

3. Putting special emphasis on the guaranteeing process, can you let us know how you process an application? What is the maximum size guarantee exposure that the Fund may offer?

The model of the guarantee scheme of the KCGF could be considered rather on the portfolio level,

though it has some features of the model which treats guarantees individually. Let me explain what this means and what are the two most dominant prevailing models of the guarantee schemes.

Depending on how the guarantee schemes treat and deal with end beneficiaries and how much is involved in the credit risk assessment of the credit applications, the guarantee schemes are grouped in two main models: (i) on the portfolio level and (ii) on the individual level. These two are the most representative models, however there are a lot of derivative models between these two extremes. However, for the sake of simplicity, I will elaborate only on these two most fundamental models. It is all about how the credit guarantee institution interacts with the end beneficiary, during the process of client acquisition, credit risk analysis and decision-making. In case of the portfolio level, the guarantee scheme keeps hands off of all the process of interacting with the end beneficiary and trusts this task completely to the partner financial intermediaries, whereas on the individual level the credit guarantee scheme is involved on all stages of dealing with the end beneficiary.

For KCGF, this is regulated by the Law on Establishment of KCGF, which gives our guarantee schemes the characteristics of the model on portfolio level. We, as KCGF, do not deal directly with the end beneficiary, but we do this task indirectly via our partner financial institutions, through allocating credit guarantee limits. So, we are an 'invisible hand', very productive in giving indirect support to the private sector. Given the size, experience, and great reputation of the banking sector in Kosovo, I think we have chosen the most adequate model for our environment. In this way, we support the financial intermediation process in the most effective way, through using the existing establishments and good lending practices of the partner banks.

Coming back to the second part of your question, our guarantee scheme can guarantee client groups which have a credit exposure in the financial sector up to 1.0 million, whereas the guarantee coverage is up to 50% on the principal of the loan, however capped at EUR 250 thousand. Though we enable quite higher limits for MSMEs, our guarantee portfolio is rather populated with smaller exposures, hence the average loan amount in our portfolio stands slightly lower than EUR 40 thousand. Somehow this is a spontaneous

selection of clientele, from our partner financial institutions, assuming that smaller clients are less known for the banks, lack assets which could be pledged as collateral for loans, hence are more prone to be guaranteed from KCGF.

4. Are there any specific industries or projects prioritized by the Fund, and is there a frequency limit for how often the same business entity can receive credit risk mitigation?

We tend to support those sectors that are considered strategic, create jobs, innovations and sustainable growth. Production and agriculture sectors, especially companies engaged in exports and new start-up initiatives, will have special focus in the existing and future strategic plans of our institution. Whereas, we are also constantly striving to find the best ways for supporting those segments of the economy that have an impact on bringing positive changes to the society and environment. Here I am talking about the role that some segments have for changing our mindset in society. We consider that gender equality is paramount for a sustainable development of the economy but also for the overall society. That's why we will continue to pursue activities that give opportunities to the enterprises owned or managed by women. We strongly believe that reaching a critical mass of successful women entrepreneurs can bring the role of women to different levels in Kosovar society.

Other spheres, where we have started to become very sensitive, relate to the impact we and our partners' activities have on the environment. Today, as we are witnessing systematic degradation of the environment. We, along with our partners, consider it necessary to have clear criteria in selecting and supporting those investments, which in addition to economic growth, bring no harm to the environment and are in contrast friendly to our habitat. This is the reason why, along with KfW and MCC, we have been working for quite some time now, to develop and hopefully soon launch, a guarantee window which would support the economic recovery of the private sector through supporting green investments. By doing so, we aim at two objectives; (i) increasing the competitiveness of Kosovar enterprises, whilst at the same time (ii) contributing to creating a better environment for us and for new generations.

5. Can you let us know of a success story that you believe has had or can have a great impact on the country's economic development?

There are numerous success stories of businesses which have benefited from the credit guarantees of KCGF and credits from partner financial institutions. The scope of good examples includes a long list of beneficiaries and a wide range of investments, which brought change not only to the enterprise, but also to the macro environment. However, in more general terms, from the perspective of the KCGF, I'd like to emphasize our agriculture window. This is a guarantee window which was created with the support of KfW, intended to support investments in the agricultural sector. This window, besides the credit guarantees as a form for facilitating the access to credit for agricultural clients, has another complementary component which is a software platform designed to help the process of credit risk assessment, for activities in the agriculture sector. AgroSoft, which is the name of this platform, was enabled through technical assistance from KfW and from the expertise of KCGF staff. As such, today, AgroSoft, is an extremely practical tool in the hands of credit analysts of partner banks, which helps to assess the creditworthiness of customers in the agriculture sector.

6. Apart from guaranteeing mechanisms, what do you believe can be done to improve the access to finance for MSMEs in Kosovo?

This is a very good question, because my impression is that whenever we talk about access to finance, we immediately think only of credit barriers for getting credit, hence ruling out completely all other forms of raising finance. To have a more realistic picture about your question, one should analyze this problem from multidimensional perspectives and find answers on the following two main questions:

● The first question is whether the problem of finding out if the barriers for access to finance are a cause for anemic development of MSMEs, or is it rather a consequence of the system and way of doing business from the MSMEs, in our country?

The weak rule of law, inefficiency of legal institutions, high informality of MSMEs, deficiencies in internal organization of MSMEs, unsegregated responsibilities partnership forms, are some of the many factors that result on creating difficulties for accessing finance for MSMEs. If these structural problems are addressed properly, I strongly believe it will give a very good signal to the creditors to improve the lending conditions, and could be a good incentive to develop and launch new credit services.

● What other alternative forms of raising capital could be developed in order to mitigate this barrier?

Responsible authorities in Kosovo, should start to seriously consider creating a proper legal infrastructure that enables functionality of different forms of equity markets, either through organized market platforms, or direct partnership investments. If the first is the complete responsibility of the policy makers, the second has to do with the way entrepreneurs in Kosovo perceive the development of their enterprise, and their readiness to share power in the company with potential new investors. If the credit market as a form for access to finance, in general, is relatively developed in Kosovo, the second form of capital market does not exist at all, or at the best scenario is at the very infancy stage of development. Therefore, for having a long-term solution to this problem and improving the access to finance for MSMEs, work needs to be done in all directions.

7. What are the Kosovo Credit Guarantee Fund's prospects in the long term, and what do you feel are the biggest challenges going ahead?

We will take care to be here for a long time and take an active role in the financial intermediation process, in the segment of MSMEs. We are an independent permanent institution which will continue to be challenged continuously with balancing two main objectives, which are generic for all guarantee schemes, all over the world; (i) reaching and maintaining the financial sustainability of the institution, whilst at the same time (ii) bringing financial and economic additionalities to the market. Finding the optimum point between these two

objectives is an art, because it involves professionalism, objectivity, and foremost right evaluation of external unpredicted market developments.

In addition, it is of crucial importance for the institution to continue being governed from a professional and independent board of directors, and professional and motivated staff. So far, we are in the right direction, and we think we have created the good fundamentals for having a solid long term institution. However, we are also very aware that institution-building is a never ending process, which needs to be pursued with great fanaticism and without a compromise.



Interview with Besnik Berisha managing director at Kosovo Credit Guarantee Fund

ProCredit Bank Kosovo and European Bank for Reconstruction and Development sign cooperation agreement

- New credit line of 20 million euros from the EBRD to ProCredit Bank Kosovo
- New financing for SME investments in sustainable and green technologies

The Bank will provide another € 5 million under its Trade Facilitation Program

The European Bank for Reconstruction and Development (EBRD) provides a new line of credit for ProCredit Bank Kosovo. This line gives small and medium enterprises (SMEs) in Kosovo the opportunity to revive their businesses after disruptions caused by the Covid-19 pandemic.

ProCredit Kosovo Bank will use the amount of 20 million euros to provide loans to small and medium businesses to enable investments in green technologies with better performance, as well as to improve their standards and their work processes. These investments by Kosovar SMEs must be in accordance with European Union and international standards, in order to achieve higher competitiveness in the domestic and foreign market.

SMEs will also receive incentives in the form of grants worth up to 15 percent of the loan amount, which makes their investments more affordable. The grants will be funded by Norway, Luxembourg and the United States, with other donors expected to attend.

As part of its Trade Facilitation Program (PLT), the EBRD is offering Procredit Kosovo Bank another € 5 million to support local SMEs to increase foreign trade and integration into international markets. This instrument will help address the growing demand for trade finance that has come as a result of global supply chain disruptions caused by the Covid-19 pandemic.

EBRD President Odile Renaud-Basso, who was on an official visit to Kosovo and signed the agreement with ProCredit Bank, said: “We are very pleased that again, with ProCredit Kosovo Bank, we can provide new financing for local SMEs. The line of credit will facilitate access to well-structured financing for small businesses, helping them recover from the negative effects of the Covid-19 pandemic and invest in modern technology to become more sustainable.

Eriola Bibolli, General Manager of ProCredit Kosovo Bank, said: “The signing of today's contract for the provision of new financing for local SMEs reflects the mutual commitment and the same principles of the two institutions regarding the promotion and support of investments for sustainable growth, increasing the competitiveness of our customers in local and international markets.

The Covid-19 pandemic has hit the SME sector in Kosovo hard, hampering growth and investment plans. Being small enterprises and having limited access to finance, SMEs were less able to flexibly cope with the additional costs incurred during the pandemic, changes in work processes, unused workforce, etc. This pushed SMEs to shift their investment priorities for sustainable growth to survival and protection.

The line of credit is part of the EBRD's new SME Recovery Program that supports the recovery of small companies from the slowdown caused by the pandemic. ProCredit Kosovo Bank is the first bank in the country to join this program, which will encourage SMEs to go beyond the usual business methods and invest in modern and sustainable technologies. About 70 percent of the program funding will be allocated to investments in energy saving and green technologies, while the rest will support investments in automation, productivity growth, product quality and security.

ProCredit Kosovo Bank is a key financing provider for SMEs in Kosovo, implementing sustainable and impact-oriented banking practices. This bank is owned by ProCredit Holding AG & Co KGaA, the parent company of the ProCredit Group, which is development-oriented and consists of commercial banks for SMEs that focus on Southeast and Eastern Europe.



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Coca Cola HBC youth empowered program

Coca-Cola Youth Empowered Program

The Coca-Cola Youth Empowered Program is back this year to encourage young Kosovars to shape their future and develop self-esteem and leadership skills. Inspired by the success of the program in 2021, which empowered 800 young people, through 49 online trainings and four offline/networking events, this year's program is set to be even better as of May 5th. The Coca-Cola Youth Empowered program provides free training in digital, business, and soft skills, laying the path for and supporting future jobs for young people in Kosovo, as well as one-on-one mentorship sessions with the most successful profiles from various industries. Since its inception in 2018, the program has empowered over 2000 people, with some of them going on to have successful careers at Coca-Cola HBC in Kosovo, while this year it has carefully picked up on global trends such as sustainability, NFTs, and crypto, sharing the most up-to-date knowledge on these hot topics

Representatives of different business organizations in Kosovo were also present in this visit. During this meetup, the Chief Executive Officer of European Investors Council, Mr.Emrush Ujkani, had the opportunity to discuss the strengths and weaknesses of the business environment in Kosovo with Ms.Renaud-Basso, while at the same time sharing EIC's gratefulness for the EBRD's support to the private sector in the country.

Coca-Cola HBC Kosova expands portfolio with Heineken

Uplifting news from Coca-Cola HBC Kosova and their dedication to be a 24/7 portfolio partner globally. Starting this May, the company will expand their portfolio with internationally recognized Heineken beer. This is the first time for Coca-Cola HBC Kosova to have beer in its portfolio.

Since 2003, Coca-Cola HBC Kosova has continued to bring innovation to the market. The company remains the leader in the beverage industry, not only following consumption trends and customer preferences, but continually proving to be valuable community partners.



Coca Cola HBC launches Heineken

Fahrije Hoti elected European of the Year 2022

For the seventh time in a row, the European Union in Kosovo has given the European of the Year Award to an individual or an institution that has contributed the most to the promotion of European values in Kosovo over the last year. While the EU family has shortlisted five nominees who have been exemplary in their work areas and contributed to the promotion of European values. Whereas, the selection of this winner has been made by the public, through a social media post. Votes were placed by liking the photo of the nominee.

The nominees were Behare Bajraktari, Founder of the BB Green Kosova; Fahrije Hoti, Founder of the Agricultural Cooperative Krusha; Jovana Radosavljević, Executive Director of the New Social Initiative; Samir Karahoda, Filmmaker and Sebahate Hajdini, Executive Director of the Down Syndrome Kosova.

In accordance with the votes, the elected European of the Year 2022 has been Fahrije Hoti. Ms. Hoti is the best example of how to turn a painful experience into courage and resilience. After the war, which took her husband along with 243 men and young boys from her village, she and all the other women of Krusha were faced with tremendous problems on how to raise children without any income. Today, Fahrije is the proud owner of Kooperativa Krusha, a company employing 50 women, which produces a variety of pickles and ajvar. Her inspirational story made her the main character of the Oscar-nominated movie Hive.



European Union marks Earth's Day 2022 with #BeTheWave campaign

The European Union is one of the world leaders in action on climate change, with a goal to reduce emissions by 55% from 1990 levels by 2030 and to become climate-neutral by 2050, backed by the European Green Deal to make its climate ambitions a reality.

The EU also strongly advocates for climate ambition across the globe, and together with its member states, EU is the largest provider of climate financing in the world, helping developing countries to facilitate their green transition and to tackle the adverse effects of climate change. On 22nd of April, the world marks Earth Day with #BeTheWave, an international campaign that brings people from all over the world to create one global heartbeat.

The #BeTheWave campaign aims to raise awareness on the state of the planet and the urgency to act. The campaign invites all to help create a global heartbeat, "the Earth's heartbeat" by recording and posting their own heartbeat by clapping their hands, beating drums, or turning any noise into a heartbeat.



Intellectual property: Commission boosts protection of European craft and industrial products in the EU and beyond

The Commission has proposed a first-ever framework to protect the intellectual property for craft and industrial products that rely on the originality and authenticity of traditional practices from their regions. This framework will cover products such as Murano glass, Donegal tweed, Porcelaine de Limoges, Solingen cutlery and Boleslawiec pottery. While these products benefit



from a European and sometimes global reputation and standing, producers have so far lacked an EU indication protection linking their products' origin and reputation to their quality. Drawing on the success of the

geographical indication system for wine-spirit drinks and agricultural products, with today's proposal for a Regulation, the Commission aims to enable producers to protect craft and industrial products associated with their region and their traditional know-how, with effects in Europe and beyond. The Regulation, providing for an EU indication protection, will make it easier for consumers to recognize the quality of such products and make more informed choices. It will help to promote, attract and retain skills and jobs in Europe's regions, contributing to their economic development. The proposal would also ensure that traditional craft and industrial products are put on an equal footing with protected geographical indications that already exist in the agricultural area.

The proposal follows the Intellectual Property Action Plan adopted in November 2020, where the Commission announced that it would consider the feasibility of a GI protection system for craft and industrial products at EU level. This was built on calls from producers, regional authorities, the European Parliament and the Committee of Regions, asking the Commission to create a regulatory framework for the protection of craft and industrial products.

Kosovo-Austria Economic Forum is organized in Prishtina

On 21st of April, Kosovo and Austria sent a strong signal of their friendship and cooperation in Prishtina.

15 Austrian companies participated in an impressive program marked by numerous networking opportunities from April 20-22, as part of a Business Mission to Kosovo.

The Director of Advantage Austria Slovenia and Kosovo, Wilhelm Nest, and the Head of Commercial Office in Prishtina, Vjosa Huruglica, organized a half-day Economic Forum with more than 200 participants on the topics of FDI and near shoring. The Economic Forum was opened by Prime Minister Albin Kurti and Minister of Industry, Entrepreneurship and Trade Rozeta Hajdari.

Other program items were the B2B platform of the Business Mission with more than 60 B2Bs between companies from Austria and Kosovo, the 5th Meeting of the Joint Economic Commission Kosovo-Austria, the networking evening "Austria meets Kosovo" sponsored by Raiffeisen Bank Kosovo as well as a Business Breakfast with Mayor of Prishtina, Perparim Rama.

These events took place within the framework of go-international and Refocus Austria.



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