

**KOSOVO**  
**DEVELOPMENT STRATEGY AND PLAN**

**TERMS OF REFERENCE**  
**FOR THE**  
**PREPARATION OF THE**  
**KOSOVO DEVELOPMENT STRATEGY AND PLAN**

**DRAFT FOR DISCUSSION**

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**D R A F T   F O R   D I S C U S S I O N**

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**ORGANISATION CHART**

## Abbreviations and Acronyms

|       |   |
|-------|---|
| CSP   | Contracted Service Providers                            |
| CSG   | Civil Society Group (KDSP)                              |
| CSCG  | Civil Society Coordinating Group (KDSP)                 |
| DFID  | Department for International Development                |
| EAR   | European Agency for Reconstruction                      |
| EU    | European Union  |
| IMG   | Interministerial Group (KDSP)                           |
| KDSP  | Kosovo Development Strategy and Plan                    |
| KDS   | Kosovo Development Strategy                             |
| MAFRD | Ministry of Agriculture, Forestry and Rural Development |
| MCR   | Ministry for Communities and Returnees                  |
| MCYS  | Ministry of Culture, Youth and Sports                   |
| MG    | Management Group (KDSP)                                 |
| MEF   | Ministry of Economy and Finance                         |
| MEST  | Ministry of Education, Science and Technology           |
| MEM   | Ministry of Energy and Mining                           |
| MESP  | Ministry of Environment and Spatial Planning            |
| MH    | Ministry of Health                                      |
| MLG   | Ministry of Local Government                            |
| MLSS  | Ministry of Labour and Social Services                  |
| MPS   | Ministry of Public Services                             |
| MTEF  | Medium Term Economic Framework                          |
| MTI   | Ministry of Trade and Industry                          |
| MTPT  | Ministry of Transport and Post-Telecommunications       |
| OG    | Operating Group (KDSP)                                  |
| PIP   | Public Investment Programme                             |
| PISG  | Provisional Institutions of Self Government             |
| SMT   | Secretariat/Management Team (KDSP)                      |
| SPU   | Strategic Planning Unit                                 |
| SWOT  | Strengths, Weaknesses, Opportunities, Threats           |
| TOR   | Terms of Reference                                      |
| TWG   | Technical Working Group (KDSP)                          |
| UNMIK | United Nations Mission in Kosovo                        |
| USAID | United States Agency for International Development      |
| WB    | World Bank  |

## ***Summary of recommendations***

In response to a request from the Government the U.K. Department for International Development is providing support for the design of operational arrangements to facilitate the production of a Kosovo Economic Strategy. According to the Terms of Reference the overall Objective is “to obtain consensus agreement from stakeholders on the design of a basic machinery, process and timetable to support the production of a Kosovo Economic Strategy” and help the Operating Group, mandated by a Decision of the Prime Minister dated 26<sup>th</sup> April 2005, “to formulate and draft a proper TOR for the Economic Development Strategy Project”.

The following recommendations to strengthen and accelerate the preparation of a Kosovo Development Strategy and Plan (KDSP) are based upon a review of relevant documents, participation in the first meeting of the OG, meetings with its members, with staff of other PISG institutions including the Office of the Prime Minister and Ministry of Economy and Finance, representatives of other concerned organizations including UNMIK Pillar IV, EAR and the WB as well as project staff. Recommendations reflect, also, experience and practice in the formulation and implementation of development strategy and plans elsewhere, in particular, in countries in the Balkan region.

### ***Objectives***

- i) The objectives are to prepare a comprehensive KDSP embracing an overarching Vision, a medium term development strategy and a development programme and to build and institutionalise strategic planning capacity.
- ii) In order to achieve national consensus regarding objectives and priorities and strengthen national ownership, KDSP should be designed through a participatory inclusive process, led by PISG, involving a wide array of civil society organizations.
- iii) The Plan should be comprehensive embracing economic, social, cultural and distributional considerations with a prioritized, quantified, costed programme and detailed actions plans consistent with available resources and capacities.
- iv) The preparation process should be led by Kosovars and should aim to build capacity and institutionalize a strategic planning process, suited to local conditions, similar to that of EU and EU accession countries.
- v) The overall strategic planning process should integrate completed and ongoing work on sector strategy, planning and Standards undertaken by Government institutions. It should integrate, also, the Public Investment Programme, Medium Term Economic Framework and Budget processes.

- vi) KDSP should provide a basis for planning and programming of assistance that will be available, at a future date, under the EU accession process. It should be consistent with the poverty reduction strategy that is a requirement for assistance for many donor agencies including the World Bank and the International Monetary Fund.
- vii) The Plan should provide a basis for mobilising finance and effectively harmonizing and aligning donor assistance with well defined national priorities.
- viii) The proposed time horizon is: for the Vision 10-15 years, Strategy 10 years and Development programme 6 years from 2007-20012 with detailed planning of expenditure for the first 3 years 2007-2009.

### ***Timetable***

- ix) Following the recent announcement regarding the KDSP timetable by the Prime Minister<sup>1</sup>, key documents should be completed as follows:

Vision and Development Strategy – December 2005  
 Interim KDSP – April 2006  
 Draft Final/Final KSDP – November/December 2006

### ***Strengthening Organisational Arrangements***

- x) Institutional arrangements need to be strengthened, first, to deepen the involvement of Kosovo society in the preparation of the KSDP and, second, to establish sufficient management and technical capacity and operating arrangements to deliver a high quality KSDP to meet national needs and, the requirements of Kosovo's development partners.
- xi) Strengthened arrangements must be put in place immediately in order to meet the new timeable and should include:
  - The existing Interministerial Group.
  - The OG should provide guidance and oversight. It should be strengthened and made more representative through: the active participation of all Ministries, other PISG institutions and by involving members drawn from civil society organizations.
  - A small Management Group (MG) should be established, with members drawn from the OG, comprising mainly professional staff, to closely supervise the preparation and capacity building processes.
  - A small full time Secretariat/Management Team (SMT) led by a senior Kosovar with proven management and communication skills and staffed

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<sup>1</sup> Prime Minister's speech to Parliament on 7<sup>th</sup> July 2005 and speech by the Head of UNMIK Pillar IV.

by experienced professionals, should lead, manage and coordinate preparation and capacity building activities on a day to day basis. It should be developed into a permanent strategic planning unit.

- Technical Working Groups should be mobilized to prepare sector and cross cutting strategies and plans. They should be led by the appropriate line Ministry which should second staff to them and be supported by contracted consultants.
- National and sectoral Civil Society Groups (CSG) should be identified as partners in the process. Facilitation services should be provided to assist close engagement and help ensure effective linkage with the KDSP structures.
- A Joint Operating/Donor Agency Group should be established to ensure support for the process and as a forum for exchanging information and ideas and reviewing progress during preparation.

xii) The SMT, TWGs and CSGs will undertake the detailed work required for KDSP preparation. A training programme should be put in place to orientate those engaged in the process and to assist build capacity. The SMT and Groups will require substantial technical support. This should be provided, mainly, by contracted local institutions and individual consultants as well as by international specialists.

xiii) Technical and material support requirements have been quantified and included in a draft budget and will be costed following consideration of these recommendations. Existing commitments by donor agencies and possible future support have been identified.

## I INTRODUCTION

Following discussions with the Office of the Prime Minister (OPM) and the Ministry of Economy and Finance (MEF), UMIK Pillar IV, the European Agency for Reconstruction (EAR), the World Bank (WB) and other concerned organizations the Department for International Development (DFID) agreed to support the design of operational arrangements to facilitate the production of a Kosovo Economic Strategy.

According to the Terms of Reference (TOR) the overall Objective is “to obtain consensus agreement from stakeholders on the design of a basic machinery, process and timetable to support the production of a Kosovo Economic Strategy” and help the Operating Group (OG), mandated by a Decision of the Prime Minister dated 26<sup>th</sup> April 2005, “to formulate and draft a proper TOR for the Economic Development Strategy Project” . The TOR are attached to this report at Annex 5. The consultant, John Pell, started work in Kosovo on 22<sup>nd</sup> June and is due to complete the assignment in late July.

This draft Report is based upon: a review of relevant documents, including those produced under the auspices of the Economic Strategy and Project Identification Group (ESPIG); participation in the first meeting of the OG; subsequent meetings with individual members of the OG, staff of other institutions including the OPM and MEF, representatives of other concerned organizations including UNMIK Pillar IV, the EAR and the WB. The consultant met, also, with local and international project staff including the DFID supported project assisting OPM with the development of Policy and Standards and the EAR project assisting MEF with the Public Investment Programme (PIP). A list of persons met is at Annex 4.

This report reflects the outcome of these discussions and, also, experience and practice in the formulation and implementation of economic strategy and development plans elsewhere, in particular, in countries in the Balkan region.

- Section II deals with Objectives, Scope of Work, Workplan and Structure of a Kosovo Development Strategy and Plan (KDSP) as follows:
  - Section A sets out what, broadly, the KDSP should cover and the time horizon.
  - Section B describes the broad Scope of Work that must be undertaken to produce KDSP and, also, to build institutional capacity for strategic planning.
  - Section C summarises the main activities and phasing of work, which are depicted in more detail in the Workplan at Annex 1.
  - Section D notes that there are alternative structures and formats for presentation of KSDP and one possibility is presented, for illustrative purposes, at Annex 2.
  
- Section III deals with Existing Organisation, Responsibilities, Timetable and implementation activities from 26<sup>th</sup> April 2005 to the present time.



- Section IV provides proposals for Strengthening Organisational Arrangements in order to establish a structure and capacity to prepare a comprehensive KDSP on a participatory consensual basis with full involvement of civil society as well as the PISG. The proposed arrangements will ensure the production of a quality document meeting national needs and, also, the requirements of Kosovo's partners including the European Union (EU), the WB, International Monetary Fund (IMF), bilateral donor agencies and other organizations.
- Section V sets out requirements to build capacity for both the preparation of KDSP over the next eighteen months and establishing strategic planning capacity in key PISG institutions.
- Section VI summarises technical support requirements for capacity building and KDSP preparation.
- Section VII Budget and Financing and Annex 3 Budget summarise the incremental resources required to prepare KDSP and build capacity as well as current commitments by donor agencies and possible additional support. Further work is required to cost requirements.

Following consideration of this report and proposals at the second meeting of the OG on 12<sup>th</sup> July agreed amendments will be incorporated in a final report, which will be submitted to a joint meeting of the OG and donor agencies later in July.

## **I OBJECTIVES, SCOPE OF WORK, WORKPLAN AND STRUCTURE**

### **A Objectives**

The objectives are to prepare a comprehensive KDSP embracing an overarching Vision, a medium term economic strategy and a development plan and to build and institutionalise PISG strategic planning capacity. Development goals include stimulating sustainable economic growth, increasing employment, reducing poverty and deepening the process of European integration.

In order to reach a national consensus regarding objectives and priorities and strengthen national ownership, KDSP will be designed through a participatory inclusive process, led by PISG, involving a wide array of civil society organizations and interest groups.

Specific objectives include:

- An overarching Vision articulating longer term development goals.
- A medium term economic strategy focusing on stimulating growth.

- A comprehensive development programme embracing economic, social, cultural and distributional considerations with a prioritized, quantified, costed programme and detailed actions plans consistent with available resources and capacities.
- Building capacity and institutionalizing a strategic planning process, suited to local conditions, similar to that of EU and EU accession countries and institutionalizing this capacity.
- Integration of the PIP, Medium Term Economic Framework (MTEF) and Budget processes within the overall strategic planning process.
- Providing a basis for planning and programming of assistance that will be available, at a future date, under the EU accession process.
- Consistency with the poverty reduction strategy that is a requirement for assistance for many donor agencies including the WB and IMF.
- Mobilising finance and effectively harmonizing and aligning donor assistance with well defined national priorities.
- Establishing effective KDSP implementation, monitoring and progress reporting arrangement.

The proposed time horizons are as follows:

- Vision 10-15 years.
- Economic strategy 10 years and
- Development programme 6 years from 2007-20012 with detailed planning of expenditure for the first 3 years 2007-2009.

## **B Scope of Work**

The scope of work includes:

- An assessment of resources, competitiveness, opportunities for and barriers to growth, needs and required structural measures.
- Identification and pinpointing of a small number of vital or over riding concerns for Kosovo.
- Articulating a national Vision of the desired goals/position of Kosovo in 10-15 years time - where is Kosovo trying to get to and how is the country to get there - and presenting the principal means and actions to achieve this Vision.
- Preparation of a macroeconomic framework defining and quantifying short and medium term objectives; identifying opportunities and options for growth, employment and poverty reduction; specifying policy adjustments; establishing the potential for resource mobilization and investment.
- Preparation of: sector strategies, building in several cases on recently completed or ongoing work<sup>1</sup>; quantified prioritised action plans taking account of the

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<sup>1</sup> Strategic planning and related work is reported to be well advanced in the following sectors or areas: agriculture and rural development, private sector development including SME development, energy, education especially higher education, health, environment and spatial planning, poverty, gender equality. The KDSP process will draw, also, on work under the Standard Implementation Plan.

- existing project pipeline and new projects (to be identified) under the PIP; establishing investment priorities<sup>2</sup>; and specifying who does what and when.
- Preparation of cross cutting strategies for poverty, gender, minorities, environment, regional development; quantified prioritized action plans incorporating existing work; establishing investment needs for implementation; and specifying what is to be done, why, how, when and who.
  - Harmonising, prioritizing and integrating the foregoing in a KDSP in line with available resources in terms of both capacity (the most critical constraint) and funding.
  - Developing a mechanism and procedures to coordinate and integrate the PIP, MTEF and annual Budget process within the national strategy and planning process and achieve consistency across these processes.
  - Mobilisation of domestic and foreign resources in line with investment needs and in compliance with overall macroeconomic and fiscal constraints including a move to public/private partnerships.
  - Building and institutionalizing capacity within PISG for strategy, planning, monitoring and oversight of implementation, progress reporting, revision/rollover/updating of KDSP and delivery of training needs.
  - Establishing and institutionalizing participatory planning processes.
  - Establishing a review process and timetable.

## **C Workplan**

The main activities and phasing of work are summarized below and shown in more detail in the Workplan at Annex 1:

- **Preparatory Phase – June to September 2005**
  - Establish working groups and management team
  - Establish participatory arrangements
  - Data collection and dissemination
- **Capacity Building – September 2005 on**
  - Short term training for participants
  - Study tour(s)
  - Overseas training for SPU members
- **Prepare Kosovo Development Strategy – September to December 2005**
- **Integrate strategic planning, PIP, MTEF and budget processes – September 2005 on**
- **Prepare Interim KSDP – February to March 2006**
- **Prepare comprehensive KSDP – March to November 2006**

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<sup>2</sup> Drawing on work underway with the support of the EAR/MEF Support for PIP project.

## **D Structure**

There are many possible ways of structuring, formatting and presenting the KDSP based upon the practices of EU member states, accession and pre accession countries. During the Preparatory Phase various options will be examined and a draft format will be developed. For illustrative purposes, one of several possible formats is attached at Annex 2.

## **III EXISTING ORGANISATION AND RESPONSIBILITIES**

A Decision of the Prime Minister, dated 26<sup>th</sup> April 2005, established “the basic principles for the functioning of working groups for the preparation of the Strategy for the Economic Development of Kosovo”. It provided for an Interministerial Group (IMG), an OG and a timetable, as described below.

### **A Interministerial Group**

The IMG is headed by the Minister of Economy and Finance and Minister of Energy and Mining. Other members include the Ministers of: Trade and Industry; Environment and Spatial Planning; Health; Transport and Post-Telecommunications; Agriculture, Forestry and Rural Development; and the Head of UNMIK Pillar IV. It has overall responsibility for all decisions on the final report on the “Strategy for the Economic Development of Kosovo”, which will be presented to it by the OG, and for presenting the final report to the Government for approval.

The first meeting of the IMG was held on 7<sup>th</sup> June and was attended by the Minister of Economy and Finance and the Minister of Energy and Mining and, also, members of the OG. Approval was given to:

- An outline Action Plan prepared by RIINVEST, subject to a review of its aims.
- A two stage process for preparation of the “Development Plan” with the completion of a strategy by the end of 2005 and the Development Plan by the end of 2006.
- Preparation of TOR by the OG for presentation to the next IMG meeting planned for 20<sup>th</sup> June. )
- In addition to sectors included in the OG (see below), the possibility of including additional sectors such as Transport and Post and Telecommunications.

### **B Operating Group**

The Decision provides for the OG to be headed by the two Economic Advisers of the Prime Minister and to include representatives of the Ministries of Trade and Industry (MTI), Environment and Spatial Planning (MESP), Health (MH),

Transport and Post-Telecommunications (MTPT), Agriculture, Forestry and Rural Development (MAFRD), Local Government (MLG), Education, Science and Technology (MEST), Culture, Youth and Sport (MCYS), MEF, Public Services (MPS), MEM; Labour and Social Services (MLSS), and Communities and Returnees (MCR). Other members include a representative of EU Pillar IV and of the Office of European Integration (within the OPM). RIINVEST and ESI will be partners of the OG.

The OG is responsible for coordination of working groups to undertake preparation of the “Strategy for Economic Development of Kosovo” document and presenting it to the IMG for approval.

### **C Timetable**

The Decision provided for the groups to start work on 1<sup>st</sup> May, prepare a draft framework by the end of June 2005 and present a first draft of the strategy by the end of October 2005. In practice, institutional arrangements were put in place in early June.

### **D Activities to date**

The OG is headed by the two Economic Advisers of the Prime Minister but, currently, has fewer active members than planned. Ten members have been nominated by 5 Ministries, namely MEF, MEM, MTI, MAFRD, and MESP. They include Deputy Ministers, Permanent Secretaries, Directors and Advisers. The other active members include representatives of Pillar IV and two representatives of RIINVEST.

The OG held its first meeting on 21<sup>st</sup> June, 2005 with the consultant participating. It was agreed that:

- The aim is to produce a comprehensive national development plan embracing a national development strategy including social as well as economic sectors.
- 10 Technical Working Groups (TWG) are to be established, immediately, for Agriculture and Rural Development, Energy, Mining, Private Sector, Construction, Education, Health, Labour Market, Environment and Spatial Planning, Poverty and Social Policy.
- A macroeconomic TWG, other cross cutting TWGs and additional sectoral TWGs will be identified and established at a future date.
- TWGs will have a maximum of 7 members, on grounds of manageability, and, possibly, a smaller number of members in sectors where strategy/planning activities are more advanced.
- Ministries will be responsible for leading TWGs whose activities lie within their respective responsibilities.
- OG members will request their respective Ministers to nominate 3-5 members of staff to participate in the TWG(s) for which they are responsible. The OG, at its next meeting, will consider nominations and select 2-3 (from the 3-5) for appointment to the TWGs, subject to Ministerial approval.

- Ministries will be requested to second such staff on a full time basis for the duration of the process to enable them to play a major role in the preparation of the strategy/plan, build capacity for the future and help ensure ownership.
- Additional TGW members will be drawn from other public agencies, civil society and private business organisations. The latter will be identified with the assistance of RIINVEST and others.
- Most TWG members will contribute on a part time basis so that full and part time technical support will be necessary and will be provided by contracted local and international consultants.
- A Core TWG will be established to oversee the preparation process with members selected from sector and cross cutting TWGs.
- In order to facilitate implementation and contribute to building institutional capacity for strategic planning short term training will be provide for TWG members and other participants in strategy and plan preparation methodology and procedures, based upon best practice in other countries and that a study tour(s) will be arranged.
- Draft TOR for preparation of the Plan will be completed by the DFID consultant, in consultation with members of the IMG, OG, representatives of donor agencies and others concerned. TOR will be submitted to the OG chairpersons on 10/11<sup>th</sup> July for consideration at the next meeting to be held on 12<sup>th</sup> July. The consultant will incorporate agreed amendments into final TOR, which will be completed by mid July.
- TOR including support requirements will be circulated to donor agencies for consideration and discussed at a joint OG/donor agency meeting to be held in later July.

#### **IV STRENGTHENING ORGANISATIONAL ARRANGEMENTS**

Institutional arrangements need to be strengthened in order to deepen the involvement of Kosovo society in the preparation of the KSDP, ensure national ownership and establish sufficient management and technical capacity and operating arrangements to deliver a high quality KSDP document to meet national needs and, also, the requirements of Kosovo's partners including the EU, WB, IMF, bilateral donor agencies and other organizations.

Strengthened arrangements must be put in place quickly especially in view of the new timetable, recently publicly announced by the Prime Minister<sup>3</sup>, which requires the completion of an interim version of KDSP by March/April 2006.

The institutional arrangements and operating procedures that are required are summarized below. They are described in more detail in later sections of this report and depicted in the attached Organisation Chart. The proposed structure includes:

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<sup>3</sup> Prime Minister's speech to Parliament on ????? and speech by the Head of UNMIK Pillar IV.

- The Interministerial Group;
- The OG to be strengthened and made more representative through: the active participation of all Ministries, other PISG institutions and by involving members drawn from Civil Society organisations and interests groups.
- A small Management Group (MG) with members drawn from the OG;
- A small full time Secretariat/Management Team (SMT);
- Sectoral and crosscutting TWGs as already envisaged;
- A national Civil Society Coordinating Group (CSCG) interfacing with the IMG, OG and MG;
- Sectoral/thematic Civil Society Groups (CSG) interfacing with the TWGs.
- A Donor Agency Committee interfacing with the IMG, OG and SMT.

The responsibilities of the various units, the relationship between them and the human and other resources required are described below. The SMT, TWGs and the CSGs will undertake the detailed work required for KDSP preparation and will require substantial technical support. This will be provided, mainly, by CSPs (local institutions and individual consultants) as well as by international specialists.

#### **A Interministerial Group**

The IMG has overall responsibility for the KDSP. Specific responsibilities should include:

- Review and approval of the TOR.
- Oversight of the preparation process.
- Providing guidance on matters of policy and prioritisation.
- Acting as an appeal mechanism in the case of disputes that may arise (and cannot be settled at lower level), for example, regarding priorities.
- Reviewing and commenting on draft documents submitted by the OG.
- Review and approval of the draft KDSP.
- Submission of the approved KDSP to Government and, through Government to Parliament.

#### **B Operating Group**

The OG is responsible for coordinating and managing the preparation of the KDSP. Specify responsibilities should include:

- Preparation of OG TOR, approval and submission to IMG for comment and approval.
- Establishing institutional arrangements including:
  - Selection and appointment of OG members to the MG;
  - Establishing the SMT;
  - Oversight of the MG and SMT;

- Approving the establishment of TWGs and the appointment of members;
- Securing the participation of civil society organisations and ensuring an appropriate balance between them and PSIG members;
- Making changes in the responsibilities and composition of the OG in the light of implementation experience.
- Preparation and oversight of the budget for preparation.
- Coordination with donor agencies through a joint working group.
- Securing financial support for preparation.
- Oversight of contracting and Contracted Service Providers (CSP).
- Ensuring that implementation proceed in accordance with the Workplan.
- Securing any necessary revisions to the Workplan in light of implementation experience.
- Timely completion of key documents.
- Review and approval of draft documents submitted to it by the MG and submission of approved key documents to the IMG.

In order to ensure representation of a wide range of stakeholders the number of members will be increased to a maximum of 25. They will include Chairperson(s) appointed by the Prime Minister; senior representatives of MEF, MEM, MTI, MARD, MESP, MLSS, MEST, MH, MLG; a representative from the CSCG; a representative from a national business organization; and a representative of Pillar IV; and 2 representatives of donor agencies.

In selecting members particular attention should be paid to ensuring strong high level professional representation of line Ministries in order to ensure continuity of involvement and Ministry ownership, which will be critical to successful implementation.

In order to be fully representative the OG must necessarily be rather large. In terms of focus, conduct of discussions, review of documents and attendance smaller groups work more efficiently and effectively and are easier to convene. For practical purposes, therefore, the OG should operate through small specialized groups, each with 5-8 members, including a Management Group (MG), an Economic Sector Group (ESG) and a Social Sector Group (SSG). This will enable individual members of the OG to provide in depth inputs into those activities/sectors in which they have greater knowledge and experience. OG would delegate responsibility for detailed supervision of preparation activities to these Groups.

The OG will meet quarterly. MG/ESG/SSG will meet more frequently, probably monthly, and report to the meetings of the OG.

## **C Management Group**

The MG in collaboration with the SMT (see following section D) will be responsible for close supervision of the preparation and capacity building processes. MG will:



- Liaise frequently with the SMT Manager/Coordinator and team.
- Review all TOR developed by the SMT.
- Ensure that the participatory CSG process works properly requiring frequent interaction with TGWs.
- Supervise and support the work of TWGs.
- Oversee the tendering process with respect to procurement of CSPs.
- Regularly review progress under the Workplan, receive progress reports and ensure on time completion of key activities and completion of key documents.
- Adjudicate, in the first instance, on differences and disputes that may arise in the course of preparation, for example, in relation to priorities.
- Liaise regularly with donor agencies especially regarding support for the process.
- Supervise the use of budget funds.

## **D Secretariat/Management Team**

A strong, small, full time SMT is essential to lead, coordinate and manage, on a day to day basis, the preparation of KDSP in accordance with approved TOR. The SMT will be supervised directly by the MG and, for the most part, report to it. Members of the SMT will gain experience of national planning, receiving training under the capacity building component enabling the team to emerge as an institutionalised Strategic Planning Unit (SPU). Specific responsibilities are grouped under five headings and include:

- Design of operational arrangements/machinery
  - Finalise responsibilities and TOR for the SMT based upon the following responsibilities and tasks. Secure approval from MG/OG.
  - Finalise responsibilities and job descriptions for members of the staff of the SMT and secure approval from MG/OG.
  - Developing guidelines for preparation including methodology, procedures, processes, formats, styles.
  - Liaise and ensure the appointment of members to TWGs.
  - Facilitate the preparation of outline TORs for TWGs.
  - Identify specialized local CSPs, whether institutions, consulting companies or individuals.
  - Programming/planning of support to be provided by donor agencies and PISG.
- Capacity building
  - Prepare a programme and plan covering all aspects of capacity building including TOR for CSPs to design and implement training programmes.
  - Liase with Ministries, training institutions and projects (including the PIP Project) to coordinate and plan training of professional and other persons engaged in the KDSP process.

- Identify and liaise with Ministries/strategic planning units to exchange information, organize study tours and training, and plan longer term capacity building requirements.
- Management of execution
  - Overseeing the implementation of capacity building activities.
  - Overseeing the preparation of TOR and a Workplan for each TWG and securing approval of same.
  - Supporting TWG preparation activities, ensuring progress in accordance with the workplan, consistency in approach in accordance with the guidelines, quality of content and that presentation is in accordance with the approved format.
  - Ensuring that TWGs have the required resources, human and logistical, to undertake the tasks assigned to them.
  - In collaboration with specialized local CSPs identify CSGs/CSCG to participate in the KDSP process; develop a detailed programme of consultations with each CSG; provide facilitation services for meetings and workshops and for drafting discussion paper and proposals arising from CSGs/CSCG.
  - Integrating the CSG and TGW processes ensuring the participation of each in the activities of the other (meetings, workshops, field visits), the exchange of information and the incorporation of CSG proposals in sector/crosscutting strategies and plans.
  - Integrate the CSCG with the overall SMT/OG/IMG arrangements and process for finalizing key draft and final documents.
  - Defining requirements for CSPs – local consultants including facilitators, international consultants, etc – in accordance with overall needs and the needs of each TGW. Agreeing requirements with the MG.
  - Preparing TOR and contracts and contracting for local ISPs as approved by the MG.
  - Agreeing requirements for short and longer term international consultants, preparing TOR and evaluating proposals in conjunction with donor agencies.
  - Liaising with donor agencies regarding the delivery of support for preparation including capacity building. Assisting with and/or preparing TOR for services to be delivered, phasing of inputs, evaluation of proposed CSPs including individual consultants.
  - Ensuring the timely delivery of services by donor agency contractors and quality and progress of work.
  - Liaising with MEF's PIP, MTEF, Budget Sections and Donor Coordination office, with planning and budget sections of line Ministries to ensure their participation in TGWs and the overall integration of PIP, MTEF/MTBF and the annual Budget within the KDSP framework.
  - Receive working papers in accordance with the workplan of each TGW/CSG, review and comment on such working papers and submit to

TGW/CSG for consideration and amendment. Approve working papers and sector strategy/plan documents and submit them to the MG.

- Harmonise, integrate and prioritise sector strategies and plans for consideration by the MG/OG.
  - Redraft all key documents as necessary ensuring consistency of language, style, format. Revise and resubmit as necessary.
  - Preparing draft, interim final KDSP documents including the KDS (November/December 2005); interim KDSP (March/April 2006) and KDSP (November/December 2006) – see Annex 1 Workplan.
  - Plan, convene and conduct KDSP national workshops for startup (1), KDS (1), interim KDSP (1), draft final KDSP (1), final KDSP (1) and donor consultation workshops (2) – see Annex 1 Workplan.
  - Liaising with OPM, MEF and line Ministries, as appropriate, in relation to the foregoing.
  - Liaising with donor agencies, as appropriate, in relation to the foregoing.
  - Preparing agendas, papers and participating in meetings of the IMG and OG, MG; receiving instructions and acting as secretary.
- Reporting
    - Receiving reports on progress of work from TGWs and CSGs and reporting on their progress, periodically, to the MG/OG.
    - Reporting on overall KDSP progress to the MG/OG. Identifying and dealing with problems identified in progress reports.
- Administration
    - Provision of administrative services including offices, office supplies, transport and technical services such as document translation, document reproduction and circulation.
    - Preparing and circulating progress reports
    - Preparing and circulating draft and final reports on strategy (November/December 2005), interim KDSP (March/April 2006) and comprehensive draft and final KDSP (November/December 2006).

A strong full time SMT should be established immediately. It should be led by a Manager/Coordinator who should be a senior Kosovar with proven management and communication skills, well known and respected, accustomed to working at high level with PISG institutions, private sector and other civil society stakeholders. The Manager should be supported and advised by a senior international specialist with long proven practical experience in the task of managing the production of national development strategies and plans. The Manager should be supported by 4 highly motivated local professional staff, preferably economists who have already gained experience in strategic planning at sector or national level by working within or in support of PISG institutions. SMT staff should be fluent in written and spoken English as well as Albanian. Additional short term technical support will be provided to SMT by contracted local

institutions, individual consultants and international specialists. SMT staff will work in close cooperation with PISG institutions and officials, in particular OPM and MEF and should be accommodated in very close proximity to key staff within the new Government building. TOR for SMT staff and for the international specialist will be developed and approved by the end of July 2005. SMT professional staff will be engaged on contracts of 18 months duration (subject to performance). Team members should start work as soon as possible, certainly by early September 2005 and continue through December 2006.

It is anticipated that SMT professional staff will form the nucleus of a SPU to be established during 2006 within the OPM or MEF.

## **E Technical Working Groups**

Specialised TWGs are in the process of being established, as described earlier, and will be responsible for designing sectoral and cross cutting components of KDSP. Each TWG will be responsible for:

- Collection and review of existing documentation.
- Review of recently completed strategy and plans and ongoing work on sector or cross cutting strategy and plans.
- Determining the extent of additional work required to complete the process in line with Ministry and KDSP requirements.
- Preparing a workplan to complete strategy/plans under preparation<sup>4</sup>, including harmonizing them with KDSP or to prepare a strategy plan, if not already available.
- Continue or initiate preparation by members assigned by the concerned Ministry.
- Identify TWG technical support/consultant requirements and prepare draft TOR in consultation with the SMT.
- Review the situation in the sector using SWOT analysis, develop a sector strategy; review policies and identify necessary policy adjustments; review/prioritise and recommend changes to institutional arrangements; with MEF/PIP staff review the project pipeline, prioritise existing, proposed and newly identified projects; prepare sub sector and sector action plans and cost investments. Receive proposals from CSGs. In consultation with CSGs prepare working papers reflecting work accomplished and recommendations at each stage of this process and submit to the respective CSG and to SMT for comment.
- Support consultative workshops with CSGs (2 per sector/TWG) convened with the support of contracted facilitators.
- With SMT convene and conduct workshops (2 of 2-3 days duration per TWG) to review proposed policy adjustments, strategy and action plans
- Prepare final draft strategy/plan to the MSC for review and consideration by SC.
- Incorporate amendments and harmonise/reprioritize strategy/programme/action plans in accordance with advice from SMT and MSC.

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<sup>4</sup> See footnotes 1 and 2

TWGs to include:

| <b>Sectoral TWGs</b>              | <b>Cross Cutting TWGs</b>      |
|-----------------------------------|--------------------------------|
| Agriculture & Rural Development   | Macroeconomic                  |
| Energy                            | Poverty & Social Policy        |
| Mining                            | European Integration           |
| Private Sector Development        | Labour Market                  |
| Construction                      | Minorities                     |
| Transport                         | Regional Development           |
| Post & Telecommunications         | Environment & Spatial Planning |
| Education, Science and Technology | Natural Resources              |
| Health                            | Local Government               |
| Housing                           | Justice & Police               |
| Water supply & sanitation         | State Administration           |
| Culture, Youth and Sport          |                                |

TWGs will have a maximum of 8 members. A smaller number may be appropriate in sectors where strategy/plan preparation has been completed or is well advanced. Line Ministries will play a lead role with the seconding of 2-3 of the most capable members of their staff on a full time basis to the TWG for which they are responsible. Staff will be seconded for the duration of the most intensive work of the TGW, which is likely to be for up to 4 months. Seconding staff will enable the Ministries to play a major role in the preparation of the strategy/plan, help ensure ownership and assist Ministries and PISG to build capacity for the future. Members of the OG, where feasible, may also participate in the work of the TGWs. Other TGW members will be drawn from relevant public agencies, universities, other institutions, civil society and private business organisations. With most TWG members contributing on a part time basis it will be necessary to strengthen technical support, which will be provided by contracted local and international consultants on the basis of specific needs identified by TWG and SMT.

## **F Civil Society Groups**

In order to ensure a national consensus and ownership of KDSP a broad cross section of society will participate in its preparation involving a diverse array of existing civil society organisations and interest groups that operate at sectoral level. These Civil Society Groups (CSG) will contribute to the formulation of the national Vision, development strategy and plan.

Civil society inputs will be developed by CSGs at sector and other levels (depending on interests). Proposals will feed into each TWG to be incorporated into their deliberations, working papers and draft sections of KDSP. In turn CSGs will review and comment upon TGW working papers and draft sections of KDSP. CSG representatives will be appointed as members of each TWG as appropriate.

CSGs will be encouraged to establish an umbrella national Civil Society Coordination Group (CSCG) to provide a forum for reconciling interests, facilitating trade-offs between various interests, formulating overall recommendations, reviewing and commenting on working papers prepared by TGWs on economic strategy and for sectoral and other components of KDSP. The OG will include civil society representatives including a representative of the CSCG. At the political level CSCG may make representations to the IMG. Proposed arrangements are depicted in the attached Organisation Chart.

Facilitation services are required and will be provided in order to assist with the coordination of the diverse groups that comprise this structure. CSP facilitators will be responsible for the following tasks:

- Identifying existing participatory organizations and interest groups willing to participate in the KDSP process.
- Facilitating the emergence of an umbrella group(s).
- Convening and facilitating meetings of CSGs and the CSCG
- Facilitating CSG/CSCG representation in the various TWGs and OG
- Training of facilitators based upon the specific requirements for KDSP preparation
- Providing technical support including facilitating information gathering, surveys, and, where necessary, assisting CSGs to draft papers, proposals and recommendations.

Facilitation services will be provided by suitably experienced CSP(s) on the basis of TOR prepared by the SMT, in consultation with all concerned. CSPs will be contracted through the SMT and funded from the budget for preparation of KDSP (Section VII and Annex 3). Provision for the training of facilitators in the specific needs for KDSP preparation is included under the capacity building component (see Section V below and Annex 3). Following further discussions a decision will be taken on requirements, if any, for international support for facilitation.

The outline programme of consultative meetings is as follows:

CSG sectoral workshops – 2 for each sector/TWG, duration 1 day, maximum of ??? participants.

CSG regional workshops – 2 for each region, 3 regions?, duration 1 day, maximum of ??? participants.

CSCG national workshops – 3, duration 1-2 days, maximum of ??? participants.

## V CAPACITY BUILDING FOR DEVELOPMENT PLANNING

Support will be provided to build PISG capacity for strategic planning including the design of economic strategy and the development plan, oversight of implementation, monitoring, progress review and reporting, periodic revision and updating. Capacity building will facilitate both the preparation of KDSP and lay the basis for the establishment and staffing in 2006 of a PISG SPU and line Ministry units, which may be further developed with donor agency support (see Section VII below). Capacity building activities will include:

- Formulation of guidelines on KDSP preparation drawing upon strategy and plan preparation methodology, procedures, practice and experience in EU accession/pre accession countries.
- Preparation/adaptation of short training modules for various aspects of preparation.
- Short term training of selected members of TWGs and other groups as well as MEF budget and planning staff (PIP, MTEF, donor coordination) and locally contracted specialists to familiarise them with the guidelines and preparation process.
- Short term training of CSP facilitators to orientate them to the particular needs of the KDSP preparation process.
- A study tour(s) for key members of the OG and SMT to familiarize them with strategic planning organization, processes and experience including participatory methods in a neighbouring country/countries such as Slovenia, Bulgaria, Albania.
- Work experience and longer term training abroad in strategic planning for key members of staff of PISG institutions engaged in and who are making a significant contribution to the preparation of KDSP, in particular those responsible for oversight of strategic planning and future members of the SPU.
- Procedures and practice for the integration of economic policy formulation, strategic planning, PIP, MTEF and Budget processes.

Training will be planned and implemented by CSPs. It will be coordinated with and wherever possible utilize existing courses such as those under the “Support to the MEF PIP” project, supported by the EAR, which are delivering similar types of training to staff of MEF, counterparts in other Ministries and spending agencies. An international training specialist with specific experience in the required type of training will provide short term inputs to help identify training needs, design the training plan, secure/prepare training materials and train trainers.

Training requirements have been quantified on a preliminary basis as shown in the following table below and in the budget for KDSP preparation and capacity building (Annex 3).

**Table – Training Requirements**

| Type of training | Participants          | Total Participants | Course duration | Courses No. |
|------------------|-----------------------|--------------------|-----------------|-------------|
| KDSP preparation | TGW members           | 140 (14 groups)    | 2 days          | 14          |
| Facilitation     | Local facilitators    | 10                 | 3 days          | 2           |
| Study tour       | OG/SMT/OPM/MEF        | 14 (2 groups)      | 7 days          | 2           |
| Work experience  | SPU & line Ministries | 20 (5 groups)      | 3-6 months      | 5           |
| Long term        | Post graduate         | 3 (individual)     | 1-2 years       | 3           |

## VI TECHNICAL SUPPORT FOR CAPACITY BUILDING AND PLAN PREPARATION

The KSDP preparation process will be led by PISG institutions through their participation in the IMG, OG and other groups. Additional technical support will be provided in several areas on a full time and part time basis by experienced local and international technical specialists to complement inputs by PISG staff. It will include contracted specialized local institutions, local consultants and international technical assistance. The areas in which support is needed and requirements are summarized in the table below:

**Table – Technical Support Requirements**

| Area/Activity                                  | Required Support   | Type          | No. | Input PM |
|--|--|---------------|-----|----------|
| Preparation of Vision                          | Strategic planner/policy analyst with relevant experience  | International | 1   | 3        |
|  |  | Local         | 2   | @3       |
| Design macroeconomic framework/strategy        | Macroeconomist   | International | 1   | @4-6     |
| Upgrade economic statistics                    | To be determined   | International | ?   | ?        |
| Additional research                            | To be determined   | Local         |     | 20       |
| Preparation of sector strategies & plans       | Sector economists with strategic planning experience to support, build Ministry planning capacity. | International | 4   | @4-6     |
|  |  | Local         | 8   | @4-6     |
| Poverty reduction strategy implementation plan | Inputs from WB Poverty Study team  | International | ?   | 2        |
|  |  | Local         | ?   | 4        |
| Integration with Europe - EU Accession         | Macroeconomist/specialist with understanding & experience of EU pre-accession funding modalities.  | International | 1   | 3        |
| Facilitation of CSGs                           | Participatory/facilitation specialists   | Local         | 10  | @9       |
| Facilitator training                           | Participatory/facilitation specialist?   | International | 1   | 2        |
| KDSP preparation training courses              | Trainers   | 2             | 2   | @ 1      |
|  | Training Specialist  | International | 1   | 1        |



## **VII BUDGET AND FINANCING**

### **A Budget**

The preparation of KDSP and capacity building for strategic development planning requires substantial PISG staff inputs, technical support by contracted local and international consultants, meetings and workshops, which have been identified in earlier sections of this report.

The provision of material incentives for participants in the KDSP is regarded by some as essential to ensuring serious commitment and contributions to the preparation of KDSP. This should be considered by the OG.

Support requirements are quantified and set out in the draft Budget at Annex 3. The costs of KDSP preparation will be established and a completed draft Budget will be circulated prior to the proposed OG/donor agencies joint meeting planned for mid July.

### **B Financing**

Proposed financing of the various activities by PISG and donor agencies respectively is shown in the draft Budget at Annex 3. Current commitments and indications of possible additional support by donor agencies for KDSP preparation and capacity building are as follows:

- USAID is currently supporting the Economic Adviser of the Prime Minister who is co-chair of the OG.
- DFID is currently providing support for the design of basic machinery, process and timetable to support the production of KDSP, the subject of this report, in accordance with TOR at Annex 5. DFID has indicated interest in providing further assistance including: long term technical assistance to support the management of the process by SMT, short term technical assistance inputs and for the civil society participatory/facilitation process, training and study tours.
- EAR is to provide support for the start up phase of the KSDP process for design of machinery and the process; analysis of existing policy and strategy work; to ensure an integrated approach to policy, strategy, budget and PIP (for which EAR is currently providing support to MEF); and identification of requirements for further work. Support will be provided by two consultants over a period of about four months from September to December 2005. The consultants will prepare guidelines for the utilization of substantial additional funds that are available to support the KSDP process covering, at least, support to the strategy process in individual Ministries, study tours and training for staff engaged in the KSDP process with additional activities to be identified. In view of EAR procedures the earliest date by which such support would become effective is early 2006.

- SIDA has previously indicated interest in supporting the KSDP process.





## KOSOVO DEVELOPMENT STRATEGY AND PLAN

### STRUCTURE (ILLUSTRATIVE)

#### Summary

#### **I Introduction**

Kosovo (a short general description)  
Rationale for the KDSP (why it is needed)  
KDSP, MTEF, PIP and the Budget  
Formulation of KDSP  
Stakeholder participation and ownership  
Building capacity  
Economic statistics  
Implementation, monitoring and updating (rolling dynamic process)  
Structure of the KDSP

#### **II Strategic Vision, Objectives and Priorities**

##### **II-1 Vision**

SWOT analysis

##### **II-2 Objectives**

##### **II-3 Development Priorities**

Stimulating economic growth  
Poverty reduction  
Deepening integration with Europe

##### **II-4 Millenium Development Goals** (where relevant)

#### **III Integration with Europe**

Integration with the EU  
Coordination of activities with EU Instruments for Pre Accession (process and implications for KDSP)  
Regional dimensions (cross border/Balkan)

## **IV Public Sector Governance and Management**

Developments 2000-2005

Objectives

Issues

Priorities and actions

Institutional and legal reform

Representation and participation

Policy development

Public administration

Economic management

Fiscal administration

Decentralisation

## **V Macroeconomic Framework**

Objectives

Kosovo's economy

Economic development 2000-2006

Status of reforms

Structural problems

Remittances and the diaspora

Private investment

Public finance

Medium Term Economic Framework

Public Investment Programme

Budget

Integrating strategy, plan and budget

Ensuring macroeconomic stability

Development options and prospects

Economic adjustment 2007-2008

Medium term options, prospects, priorities (sources of growth, stimulating growth, reducing poverty)

Management of the economy (institutional arrangements)

## **VI Poverty**

Poverty in Kosovo

Policies for poverty reduction

Priorities and actions for poverty reduction

## **VII Private Sector Development**

Developments 2000-2006  
Issues  
Concerns of the business community  
Objectives and Strategy  
Priorities and actions  
    Business environment (including legal/enforcement)  
    Administrative barriers  
    Competition  
    Enterprise restructuring and privatisation  
    Small and medium enterprise development  
    Energy  
    Mining  
    FDI  
    Consultation (dialogue with business community)  
Investment in support of private sector development

## **VIII Integrated Rural Development**

(See MAFRD draft)  
Developments 2000-2005  
Objectives and Strategy  
Priorities and actions  
Investment

## **IX Human/ Development**

### **IX-1 Education and Training**

Developments 2000-2006  
Issues  
Objectives and strategy  
Priorities and actions  
    Skills, knowledge and technological development  
    Higher education  
Investment in education and training

### **IX-2 Labour Market/Employment**

Developments 2000-2006  
Issues  
Objectives and strategy  
Priorities and actions  
    Workforce growth

Employment/unemployment  
Skills/demand and supply  
Education/training/skills development  
Employment services  
Stimulating employment

Investment

### **IX-3 Housing**

Developments 2000-2006

Issues

Objectives and strategy

Priorities and actions

Investment in housing

### **IX-4 Social Protection**

(Review with MLSS)

### **IX-5 Health**

Developments 2000-2006

Issues

Access

Service delivery

Regulation

Privatisation?

Financing

Deconcentration

Objectives and Strategy

Priorities and actions

Primary health care

Hospital services

Special needs

Public health

Staffing and training

Health indicators

Investments in health

## **X Economic Infrastructure**

(Review with respective Ministries)

### **X-1 Energy**

(Review with MEM)



**X-2 Water and sanitation**

**X-3 Transport**

**X-4 Communications and information**

**XI Financial Services**

Developments 2000-2006

Issues

Objectives and strategy

Priorities and actions

Banking and credit

Other financial intermediaries

**XII Regional and Spatial Development**

Regional development

Urban development

Land market

**XIII Environmental Protection and Natural Resources**

(Review with MESP)

Environmental Protection

Natural Resources

**XIV Implementation**

**XV Development Investment and Financing**

**XV-1 Public expenditure and financing**

**XV-2 Private sector investment and financing**

- domestic

- FDI

## **Appendices**

- 1 - Action Plans (matrices)
- 2 - Planned Expenditure 2007-2012 (detailed 2007-2009)
- 3 - Indicators, monitoring
- 4 - Macroeconomic Framework
- 5 - Poverty
- 6 - The Participatory Process
- 7 - Bibliography, Maps, Charts

## PREPARATION OF KOSOVO DEVELOPMENT STRATEGY AND PLAN

## DRAFT BUDGET

(Euro)

| Item   | Unit | Unit Cost | Units No. | Total Cost | Financing |
|--|------|-----------|-----------|------------|-----------|
| <b>1. CAPACITY BUILDING</b>                  |      |           |           |            |           |
| <b>1.1 Workshops</b>                         |      |           |           |            |           |
| - KDSP Training Workshops                    | No.  |           | 14        |            | Donor     |
| - Facilitator Training Workshops             | No.  |           | 2         |            | Donor     |
| <b>1.2 Study Tours</b>                       | No.  |           | 2         |            | Donor     |
| <b>1.3 Work Experience (Overseas)</b>        | No.  |           | 5         |            | Donor     |
| <b>1.4 Long term training (Overseas)</b>     | No.  |           | 3         |            | Donor     |
| <b>Sub-total – Capacity Building</b>         |      |           |           |            |           |
| <b>2. TECHNICAL SUPPORT</b>                  |      |           |           |            |           |
| <b>2.1 Local Consultants</b>                 |      |           |           |            |           |
| Vision & Macroeconomic Framework             | PM   |           | 6         |            | Donor     |
| Research & studies                           | PM   |           | 20        |            | PISG      |
| Sector Strategy/Planning Specialists         | PM   |           | 48        |            | Donor     |
| Participation/Facilitation Specialists (10)  | PM   |           | 90        |            | Donor     |
| Macro Planning Training Specialist (2)       | PM   |           |           |            | Donor     |
| <b>Sub-total Local Consultants</b>           |      |           |           |            |           |
| <b>2.2 International Consultants</b>         |      |           |           |            |           |
| Vision??? (1)                                | PM   |           | 3         |            | Donor     |
| Macroeconomist (1)                           | PM   |           | 3         |            | Donor     |
| Sector Strategy/Planning Specialists (4)     | PM   |           | 24        |            | Donor     |
| Training Specialist                          | PM   |           | 1         |            | Donor     |
| Participation/Facilitation Specialist        | PM   |           | 2         |            | Donor     |
| Planner/Management Specialist (1)            | PM   |           | 16        |            | Donor     |
| <b>Sub-total – International Consultants</b> |      |           |           |            |           |
| <b>3. MEETINGS &amp; WORKSHOPS</b>           |      |           |           |            |           |
| <b>3.1 Meetings</b>                          |      |           |           |            |           |
| IMG  | No.  |           | 5         |            | PISG      |
| OG   | No.  |           | 8         |            | PISG      |
| <b>Sub-total – Meetings</b>                  |      |           |           |            |           |
| <b>3.2 Workshops</b>                         |      |           |           |            |           |
| <b>3.2.1 TWG Workshops</b>                   | No.  |           | 40        |            |           |
| <b>3.2.2 CSG Workshops</b>                   |      |           |           |            |           |
| - Local                                      | No.  |           | 40        |            | Donor     |
| - Regional                                   | No.  |           | 6         |            | Donor     |
| - National                                   | No.  |           | 3         |            | Donor     |

**PREPARATION OF KOSOVO DEVELOPMENT STRATEGY AND PLAN  
DRAFT BUDGET**

(Euro)

| <b>Item</b>                           | <b>Unit</b> | <b>Unit Cost</b> | <b>Units No.</b> | <b>Total Cost</b> | <b>Financing</b> |
|---------------------------------------|-------------|------------------|------------------|-------------------|------------------|
| <b>3.2.3 National Workshops</b>       |             |                  |                  |                   |                  |
| - Startup                             | No.         |                  | 1                |                   | Donor            |
| - Vision                              | No.         |                  | 1                |                   | Donor            |
| - Interim                             | No.         |                  | 2                |                   | Donor            |
| - Final                               | No.         |                  | 1                |                   | Donor            |
| - Donor Agencies                      | No.         |                  | 3                |                   |                  |
| <b>Sub-total - Workshops</b>          |             |                  |                  |                   |                  |
|                                       |             |                  |                  |                   |                  |
| <b>4. SECRETARIAT/MANAGEMENT TEAM</b> |             |                  |                  |                   |                  |
| <b>4.1 Staff</b>                      |             |                  |                  |                   |                  |
| Manager/Coodinator (1)                | PM.         |                  | 18               |                   | PISG             |
| Professional (4)                      | PM.         |                  | 72               |                   | PISG             |
| Interpreter/translator (1)            | PM.         |                  | 18               |                   | PISG             |
| Admin/support (4)                     | PM.         |                  | 72               |                   | PISG             |
| <b>Sub-total - Staff</b>              |             |                  |                  |                   |                  |
| <b>4.2 Logistics</b>                  |             |                  |                  |                   |                  |
| SMT offices                           |             |                  |                  |                   | PISG             |
| Transport                             |             |                  |                  |                   |                  |
| Equipment                             |             |                  |                  |                   |                  |
| Communications                        | LS          |                  |                  |                   |                  |
| Office supplies                       | LS          |                  |                  |                   |                  |
| Utilities                             | LS          |                  |                  |                   |                  |
| Design & Printing                     |             |                  |                  |                   |                  |
| - KES                                 |             |                  |                  |                   | PISG             |
| - KDSP Interim                        |             |                  |                  |                   | PISG             |
| - KDSP Final                          |             |                  |                  |                   | PISG             |
| <b>Sub-total - Logistics</b>          |             |                  |                  |                   |                  |
| <b>Total - SMT</b>                    |             |                  |                  |                   |                  |
|                                       |             |                  |                  |                   |                  |
| <b>5. GRAND TOTAL</b>                 |             |                  |                  |                   |                  |

**PREPARATION OF KOSVO DEVELOPMENT STRATEGY AND  
PLAN**

**PERSONS MET**

**To follow.**