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Project against Economic Crime in Kosovo* (PECK II)

First Annual Progress Report

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For further information please contact:

Economic Crime and Cooperation Division
Action against Crime Department
Directorate General Human Rights and Rule of Law
Council of Europe
F- 67075 Strasbourg

Edmond DUNGA
Administrator / Project Advisor
✉ Edmond.DUNGA@coe.int
☎ + 381 38 243 749 ext. 106

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ABBREVIATIONS

AC	Anti-corruption
AML/CFT	Anti-Money Laundering/Combating the Financing of Terrorism
AMSCA	Agency for Management of Seized and Confiscated Assets
CBK	Central Bank of Kosovo
CEC	Central Electoral Commission
CPA	Central Procurement Agency
EC	European Commission
ERA	European Reform Agenda
EU	European Union
EULEX	European Union Rule of Law Mission in Kosovo
EUO	European Union Office in Kosovo
EUSR	European Union Special Representative
FATF	Financial Action Task Force
FIU	Financial Intelligence Unit
GRECO	Group of States against Corruption/Council of Europe
KA	Kosovo Assembly
KAA	Kosovo Anti-Corruption Agency
KBRA	Kosovo Business Registration Agency
KC	Kosovo Customs
KJC	Kosovo Judicial Council
KP	Kosovo Police
KPC	Kosovo Prosecutorial Council
KPI	Kosovo Police Inspectorate
LRM	Legislative Review Mechanism
MEI	Ministry of European Integration
MFA	Ministry of Foreign Affairs
MIA	Ministry of Internal Affairs
MoF	Ministry of Finance
MoJ	Ministry of Justice
MONEYVAL	Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism / Council of Europe
MPA	Ministry of Public Administration
NAO	National Audit Office
NCCEC	National Coordinator for Combating Economic Crimes
OGG	Office for Good Governance, Human Rights, Equal Opportunities and Gender Issues / Prime Minister's Office
OSCE	Organisation for Security and Cooperation in Europe
PECK II	EU/CoE Joint Funded Project against Economic Crime in Kosovo (Phase II)
PMO	Prime Minister's Office
PPRC	Public Procurement Regulatory Commission
PRB	Procurement Review Body
SPO	State Prosecutor's Office
SPRK	Special Prosecution of Kosovo
TAK	Tax Administration of Kosovo
TP	Technical Paper

1 DESCRIPTION

1.1 Contact person

Ardita Abdiu

Head of Economic Crime and Cooperation Division

Action against Crime Department

Information Society and Action against Crime Directorate

Directorate General I – Human Rights and Rule of Law

Council of Europe

1.2 Name of Partners in the Action

Council of Europe and European Union

1.3 Title of the Action

Project against Economic Crime in Kosovo (PECK II)

1.4 Contract number

IPA II 2014 – CRIS No. 2015/372-097 and CoE No. JP 4561

1.5 Start Date and End Date of the Reporting Period

1 January 2016 – 31 December 2016

1.6 Target area

Kosovo

1.7 Beneficiary institutions

Main Beneficiary Institutions: Kosovo Anti-corruption Agency (KAA) and Financial Intelligence Unit (FIU).

Project Beneficiaries include (but are not limited to) the following key agencies with a role in anti-corruption/anti-money laundering and combating the financing of terrorism in Kosovo:

- Agency for Managing Seized and Confiscated Assets (AMSCA)
- Central Bank of Kosovo (CBK)
- Central Electoral Commission (CEC)
- Central Procurement Agency (CPA)
- Courts
- Department for Registration and Liaison with NGOs (DRLNGO)
- Kosovo Assembly (KA)
- Kosovo Business Registration Agency (KBRA)
- Kosovo Customs (KC)
- Kosovo Judicial Council (KJC)
- Kosovo Police (KP)
- Kosovo Police Inspectorate (KPI)
- Kosovo Prosecutorial Council (KPC)
- Ministry of European Integration (MEI)
- Ministry of Finance (MF)
- Ministry of Internal Affairs (MIA)
- Ministry of Justice (MoJ)
- Ministry of Public Administration (MPA)
- National Audit Office (NAO)
- National Coordinator for Combating Economic Crimes (NCCEC)
- Office for Good Governance, Human Rights, Equal Opportunities and Gender Issues / Prime Minister's Office (OGG)
- Procurement Review Body (PRB)
- Public Procurement Regulatory Commission (PPRC)
- Special Prosecution of Kosovo (SPRK)

- State Prosecutor's Office (SPO)
- Tax Administration of Kosovo (TAK)

Other beneficiaries are the financial sector and the industry (AML/CFT reporting entities), the civil society and journalists.

1.8 Contracting authority

European Union Office in Kosovo (EUO)

Indirect Management through Delegation Agreement from EU under EU/CoE Joint Programme Framework

1.9 Implementing organisation

The Council of Europe is responsible for the implementation of the Project and the use of the Project funds under the European Union and the Council of Europe Agreement. Within the General Secretariat of the Council of Europe in Strasbourg, Directorate General of Human Rights and Rule of Law, and more specifically, the Action against Crime Department, Economic Crime and Cooperation Division is responsible for the overall management and supervision of the Project with a Project team based in Pristina being responsible for day-to-day implementation of the Project.

2 EXECUTIVE SUMMARY

The joint European Union/Council of Europe Project against Economic Crime in Kosovo constitutes a comprehensive effort to assist domestic authorities to enhance the rule of law through the prevention and control of economic crime by further aligning and harmonising domestic legal and institutional systems with European and international standards and practices.

This report covers the first year of the implementation of the PECK II Project (1 January to 31 December 2016) including all actions undertaken during the initial 3-month inception phase. Overall and in line with the Project's objectives and expected results, the Project implemented 20 activities and field missions, 14 working group meetings and 20 other coordination meetings, which included 733 participants from over 35 beneficiary institutions. It engaged 15 short-term international and local experts and delivered 10 technical papers including legal opinions.

During the reporting period the Project was focused on: 1) enhancing institutional capacities of Kosovo authorities; 2) undertaking legislative and other reviews; and 3) conducting risk assessments in priority areas. It has achieved concrete impact in several on-going reforms in the areas of anti-corruption and anti-money laundering/combating the financing of terrorism. By supporting these processes the Project has addressed several priorities set in the European Reform Agenda (ERA) as well as concerns expressed in EC Kosovo 2015 and 2016 reports.

More concretely, Project deliverables on legal and other reviews influenced a number of legislative processes. The Project supported the drafting of the Law on Conflict of Interest which is now in Parliament for adoption. The Project experts were engaged in the revision of the AML/CFT Law adopted in May 2016. The Project assisted with developing amendments to the Law on implementation of international sanctions; initiated and implemented a review of the regulatory, institutional and operational framework of Kosovo Anti-corruption Agency (KAA) and completed the review of whistleblowing mechanisms. The Project has also provided inputs to the draft legislation amending the Law on KAA and Law on asset declarations – processes which are to be further implemented during 2017 as per the Kosovo government legislative agenda.

In the area of risk assessments initial Project outputs include: 1) enhancement of capacities of Kosovo institutions in applying risk assessment methodologies; and 2) initiated risk assessments in three most vulnerable sectors, namely judiciary, prosecution and public procurement. The results coming out of this process are expected to directly contribute to the revision and drafting of the new anti-corruption strategy in 2017. All three risk assessments will also provide direct inputs to policies which aim at improvements in public procurement, judiciary and prosecution.

The Project team regularly participates in the Legislative Review Mechanism (LRM) which aims at providing a joint EU (and wider) position on different relevant legislation in Kosovo which are communicated to the Kosovo government and parliament.

The Project did not encounter any major difficulties in its first year of operation and activities were implemented without essential deviation from the Workplan. The Project established excellent cooperation with beneficiary institutions who demonstrated a high level of engagement in the various areas of Project activities. It maintained regular/continuous consultations with various partners, stakeholders and related programs of international organisations so as to deliver tangible and sustainable results. The Project team undertook constant efforts to promote the Project's visibility, not only through direct visibility activities but through all actions taken.

The Project interventions enabled progress and promoted needed improvements of the legal, regulatory and operational set-up of the key beneficiaries, enhanced their capacity and raised public awareness.

Project data and statistics

No. of implemented events	Number of first year planned events	No. of beneficiary persons participating in project activities	Engaged experts	Level of budgetary disbursement
20 (or 69% out of first year planned events)	29	733 (61.8% male and 38.2% female)	15 11 international and 4 local experts (53.3% male and 46.7% female)	€498,451 (22.1% out of 2.25 M)

3 DESCRIPTION OF ACTION

Project against Economic Crime in Kosovo (PECK II) is funded by the European Union and the Council of Europe, and implemented by the Council of Europe. The Project duration is 36 months (2016 – 2018) and its budget is €2,225,000 (EU contribution €2.0 million; CoE – € 225,000).

The second phase of PECK Project (PECK II) builds on the results and lessons learned from the first phase implemented throughout 2012 and 2015 as the joint European Union/Council of Europe Project against Economic Crime in Kosovo (PECK I). It produced the first comprehensive and structured assessment of Kosovo's compliance with European and international standards in the anti-corruption (AC) and the anti-money laundering and combating the financing of terrorism (AML/CFT) areas, based on GRECO and FATF/MONEYVAL adjusted methodologies and practices specifically tailored to Kosovo.

PECK II Project assists Kosovo authorities with the implementation of specific recommendations from PECK I assessments through targeted technical assistance while continuing with the structured assessments of AC and AML/CFT frameworks vis-à-vis evolving international standards.

Technical assistance activities cover the two components (corruption and money laundering) by addressing economic crime-related capacity building aspects in connection with legislative, institutional, policy and operational reforms. Strengthened capacities to effectively implement and coordinate anti-corruption measures are coupled with further streamlining of inter-agency information exchange and cooperation mechanisms. Moreover, technical assistance activities will further support Kosovo authorities to better participate in the forthcoming assessment process that will be carried out during the last year of PECK II Project (2018).

3.1 Overall objective

PECK II Project overall objective is to contribute to democracy and the rule of law through the prevention and control of corruption, money laundering and financing of terrorism in Kosovo.

3.2 Project purpose

To strengthen institutional capacities to counter corruption, money laundering and the financing of terrorism in Kosovo in accordance with European standards through targeted technical assistance and assessments for improving and streamlining economic crime reforms.

3.3 Expected Results (ERs)

The following are the expected results of this project. Their achievement, will lead to the achievement of the project purpose and contribute to the overall objective:

Expected Result 1 – Institutional capacities of anti-corruption stakeholders to effectively implement and coordinate anti-corruption measures are further strengthened:

Expected Result 2 – Interagency information exchange and cooperation mechanisms are streamlined to ensure effective coordinated measures against economic crime:

Expected Result 3 – Assessment Report of anti-corruption measures is available:

Expected Result 4 – Assessment Report of anti-money laundering and combating financing of terrorism measures is available:

3.4 Inception period activities

The inception phase of the project was characterised by an intensive schedule of different actions and focused on: a) recruitment and setting up of the project team (in the HQ and in the field office in Pristina); b) drafting and finalising Project inception documents; c) organising the first Project Steering Committee Meeting; d) launching the Project; and e) other start-up activities. The following results were achieved in these areas:

a) Project team: During the quarterly inception period, the recruitment process for all local and HQ related staff (team members) took place in line with CoE's recruitment procedures. The Project Team in Strasbourg and Pristina (Project Advisor) were recruited and operational as of January 2016. The recruitment process of two Project local team members took place subsequently during January-March 2016. Vacancy notices for the Senior Project Officer (SPO) and Project Linguistic Assistant (PLA) were announced in January 2016. Both staff members were operational as of 11 April and beginning of May 2016. The project initiated the recruitment procedure and set up the project management team consisting of:

Field Office in Pristina:	Headquarters in Strasbourg:
Project Advisor (100%)	Administrator (8.3%)
Senior Project Officer (100%)	Project Manager (50%)
Project Linguistic Assistant (100%)	Project Assistant (30.5%)

b) Drafting and finalising Project inception documents: The Project Advisor and relevant staff in Strasbourg ensured drafting, internal coordination and finalisation of the Project Workplan, Calendar of Activities, Inception Report, and Communication and Visibility plan. Finalised documents were submitted to the EUD as per the DoA requirements on 18 April 2016. They were discussed and adopted during the first Project Steering Committee Meeting (May 2016) and subsequently disseminated to the SC members.

c) First Project Steering Committee Meeting: see below the section 6.2.

d) Project Launching Conference: The Project Launching Conference was held on 26 May 2016 in Pristina. This high-level event marked the official start of the PECK II Project activities and presented Project objectives and expected results to a wide range of stakeholders, including beneficiary institutions (ministries and agencies), international organisations, private sector and civil society (around 60 participants in total). The Conference was addressed by the Prime Minister and Minister of Justice as well as senior management level representatives of the EU Office and Council of Europe. The Prime Minister expressed his full commitment and support to the successful implementation of the PECK II Project. He emphasised that this Project "is welcomed, useful and timely for Kosovo", and assured cooperation and strong support of authorities and beneficiary institutions to Project implementation and its outcomes. The event was broadly reported by local media.

e) Other start-up activities:

- Introduction of the Project to institutional beneficiaries (including development and dissemination of Project Summary, Info sheets in three languages);
- Due request and confirmation of contact points from beneficiary institutions;
- Preparation and launching of the Project's website;
- Design of Project's visual identity and production of visibility materials to raise and promote visibility of the Project and its activities;
- Contracting international experts to review the AML/CFT Law (see below 1.2.1/a);
- Facilitating, advising and supporting the initiative to address terrorist financing shortcomings (see below 1.2.1/b).

4 SITUATION IN KOSOVO

Transparency International's 2016 Corruption Perception Index rates Kosovo at 36 (with 100 representing the lowest level of corruption). Although there is some progress compared to previous years (33 from 2013 to 2015), this is still the lowest rating in the Balkans.¹ According to Transparency International's Global Corruption Barometer 2016, 65% of citizens consider corruption as the most important problem while 67% of them perceive public authorities anti-corruption efforts as insufficient². Moreover, Freedom House's Nations in Transit ratings on corruption show no improvement as the 2016 rating (at 6) continues to be the lowest of Western Balkans.³

According to the most recent available statistics, the number of persons involved in corruption-related criminal proceedings was 2,559 at the beginning of 2015 (1,699 inherited from 2014 and 860 persons in 2015). Cases involving 919 persons were dealt with in 2015 whereas the remaining cases concern 1,640 persons. The number of corruption dismissed cases and terminated investigations continue to be generally higher than the number of indictments. In 2014, criminal reports were dismissed and investigations were terminated for 545 persons (53.6%) while indictments were filed against 471 persons (46.4%). In 2015, 443 indictments (48.2%) were filed against 472 dismissed criminal reports and terminated investigations (51.4%).

Investigation and adjudication of <i>corruption offences</i> in 2015 ⁴	Reported suspects	Investigations	Dismissed criminal reports	Terminated investigations	Indictments	In procedure	Dismissed indictment	Conviction	Other (probation, acquittal, etc.)
Anti-corruption Agency	79	-	-	-	-	-	-	-	-
Police	366	-	-	-	-	-	-	-	-
Others	415 ⁵	-	-	-	-	-	-	-	-
Prosecution	+ 1,699	919	191	281	443	1,640	-	-	-
Courts ⁶	185	-	-	-	-	-	-	97	88

Investigation and adjudication of <i>money laundering offences</i> in 2015	Reported suspects	Investigations	Dismissed criminal reports	Terminated investigations	Indictments	In procedure	Dismissed indictment	Conviction	Other (probation, acquittal, etc.)
Financial Intelligence Unit	2	-	-	-	-	-	-	-	-
Police	21	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-
Prosecution	+ 87	15	-	5	6	95	-	-	-
Courts ⁷	1	-	-	-	-	-	-	1	-

¹ www.transparency.org/news/feature/corruption_perceptions_index_2016

² www.transparency.org/files/content/feature/GCB_ECA_Regional_Results.xlsx

³ The NIT ratings are based on a scale of 1 to 7, with 1 representing the highest and 7 the lowest level of corruption control. See www.freedomhouse.org

⁴ Figures refer to persons. Kosovo Prosecutorial Council - 2015 Annual Report on Harmonisation of Statistics under the Inter-institutional Mechanism on Harmonisation of Statistics for Characteristic Criminal Offences, <http://www.psh-ks.net/>

⁵ This include *inter alia* the Auditor General (79 persons), Police Inspectorate (44) citizens (90) and affected party (169).

⁶ Courts figures refer to Statistics of jurisprudence for adult persons (2015), Kosovo Agency of Statistics, September 2016, see www.ask.rks-gov.net

⁷ So far and until 2015, there has not been a single final court decision in ML cases in Kosovo. This is the first ML court trial since a couple of years.

In 2015 frozen and seized of proceeds of crime represent €20.5 million whereas confiscated proceeds are €70,487.

During the reporting period, the Assembly has adopted the following relevant laws:

- Laws on amending and supplementing the Law no. 04/L-042 on Public Procurement (laws 05/L-068 and 05/L-092; OG 1/2016 and 8/2016);
- Amendment No. 25 of the Constitution (OG 9/2016) which amends Article 108;
- Law No. 05/L-049 on the Management of Sequestered or Confiscated Assets (OG 12/2016);
- Law No. 05/L-055 on the Auditor General and the National Audit Office (OG 17/2016);
- Law No. 05/L-096 on the Prevention of Money Laundering and Combating Terrorist Financing (OG 18/2016);
- Law No. 05/L-031 on General Administrative Procedure (OG 21/2016);
- Law No. 05/L-087 on Minor Offences (OG 33/2016).

Draft law on Prevention of Conflict of Interests in Discharge of a Public Function (05/L-140) and on Justice Academy (05/L-095) are under adoption process at the Assembly.

In 2015, out of 354 cases in total, the Kosovo Anti-corruption Agency (KAA) filed criminal charges and forwarded 126 cases involving 189 persons to Prosecution and police and advanced 14 cases with 26 officials to competent administrative institutions for the initiation of disciplinary proceedings. In 2016, the KAA issued 58 opinions to different public procurement authorities as well as 199 decisions and opinions on conflict of interest-related issues.

In 2015, out of around 800 declaration forms fully audited the KAA submitted 33 criminal reports on the basis of Article 437 CC. However, there are neither adjudicated cases in 2014 nor any indictment in 2015 on the basis of Article 424 of the Criminal Code (conflict of interest). In 2015, the KAA dealt with 306 conflicts of interest situations (160 avoided cases, 39 dismissed cases, 49 cases with opinions/advice, 3 cases submitted for further investigation, 4 misdemeanour/dismissals request against responsible officials and 51 ongoing cases).

In addition, the number of public officials holding multiple jobs is slightly higher in 2015 (1,184 officials with 2 positions, 321 with 3 positions, 35 with 4 positions, 8 with 5 positions and 4 with 6 positions).

With regard to the policy level, the implementation of the Anti-corruption Strategy 2013-2017 and Action Plan had so far generated rather ineffective trends that are due to insufficient involvement of concerned stakeholders and weak political support.⁸

Period	Implemented	Partly implemented and not implemented	Unreported
2013	34.3%	32.7%	33.0%
2014	46.8%	19.9%	33.3%
2015 (second half)	60.3%	13.2%	26.5%
2016 (first half)	51.1%	23.7%	25.2%

With regard to the Strategy and Action Plan for Prevention of and Fight against Informal Economy, Money Laundering, Terrorist Financing and Financial Crimes 2014 – 2018 (AML/CFT Strategy), 2015 annual reporting is being finalized and will be followed by the 2016 annual reporting.

⁸ See the monitoring reports on the implementation of the Anti-corruption Action Plan and KAA annual reports: [1st monitoring report](#), [2nd monitoring report](#), [3rd monitoring report](#), [KAA 2013 Annual Report](#) and [KAA 2014 Annual Report](#) and [KAA 2016 progress report \(first-half\)](#) (in ALB).

5 PROGRESS DURING FIRST YEAR OF IMPLEMENTATION

5.1 Overall achievements

Overall, the Project activities and outputs contributed to a number of legislative and institutional reforms aimed at enhancing the Kosovo's compliance with relevant international standards. The revision of the AML/CFT legal framework and drafting/finalisation of the new AML/CFT Law addressed a number of important PECK I Project assessment recommendations. Taking into account the European Reform Agenda (ERA), the revision of the conflict of interest framework was carried out including the new Conflict of Interest Law. Furthermore, the Project delivered a review of the regulatory, institutional and operational framework of Kosovo Anti-corruption Agency.

5.2 Assessment of Project implementation and deliverables per Expected Results

Due to the fact that most activities implemented in 2016 cover ER 1 as per the Project Workplan and Calendar, the analysis below will focus mainly on ER 1, while ER 2-4 will be addressed in subsequent progress reports.

The Project ensured concrete achievements and made progress with regard to the following OVI's under ER 1:

- *At least three risk assessments in the AC area conducted by the KAA in coordination with other stakeholders;*

The level of achievement of this OVI is advanced and with evident tangible results. Three risk assessments in the areas of judiciary, prosecution and public procurement have been launched and will be finalized in 2017.

- *At least ten legal opinions and technical papers for concrete anti-corruption measures and/or initiatives are produced.*

The level of achievement of this OVI is advanced. In 2016 the Project developed and delivered 10 technical papers (including 3 legal opinions). The legal opinions cover new AML/CFT and Conflict of Interest draft laws as well as the whistleblowing legal framework.

The activities, inputs and actions under ER 1 are described in detail below.

Expected Result 1: Institutional capacities of anti-corruption stakeholders to effectively implement and coordinate anti-corruption measures are further strengthened

Activity 1.1 Conduct risk analysis and assessment in up to three priority areas

Inputs/Actions: 1.1.1 Brainstorming workshop to exchange views and identify sectors and institutions for corruption risk analysis, based on clear criteria

The Project initiated a joint preliminary scoping exercise with representatives of 11 beneficiary institutions to select three priority areas for corruption risk assessments. For this purpose a brainstorming working group meeting was organised in June 2016 with the aim to introduce beneficiaries to the risk assessment methodology concepts and process as well to exchange views on identification of priority areas.

The Project team engaged in bilateral meetings with senior officials within concerned sectors in order to explain the process and obtain commitment and needed cooperation in conducting risk assessments.

Three areas for conducting risk assessment have been identified and agreed upon with beneficiary institutions: prosecution, judiciary and public procurement.

Outputs: 1 workshop and presentation; 3 sectors selected and agreed; bilateral meetings.

Inputs/Actions: *1.1.2 Preliminary assessment of sectors and institutions identified for anti-corruption risk analysis*

In order to obtain an initial overview of corruption risks and vulnerabilities in the identified sectors, the Project undertook preliminary assessment of the selected sectors. The aim behind this undertaking was to provide the Project with the necessary available information including trends, main risks, difficulties and challenges in a structured and informed way, identify information sources and list of recommended institutions/ persons to be interviewed for the risk assessment process.

Three technical papers containing preliminary assessment reports on sectors identified for corruption risk assessment (prosecution, judiciary and public procurement) were produced by local consultants in August 2016. The technical papers served as a basis for international experts in subsequent stages of the risk assessments.

Outputs: 3 technical papers produced.

Inputs/Actions: *1.1.3 Carry out 3 risk assessments of identified (sectors) institutions*

a) Workshop on methodology for conducting corruption risk assessment

The Project built the capacities of Kosovo institutions in undertaking risk assessments by organising a workshop in October 2016 aiming to provide participants of beneficiary institutions with the relevant information and equip them with basic knowledge as well as key definitions and tools on methodology for conducting corruption risk assessment in their own institutions.

34 participants from 16 beneficiary institutions received training on Methodology for conducting Corruption Risk Assessment.

A technical paper including a Risk Assessment Methodology Guide is being developed by the Project. It takes into account positive comparative practice and experience at the regional level and aims to tailor it to the local context, capacities, know-how and resources.

The Guide will be shared with beneficiary institutions and is expected to serve them when conducting risk assessments in the future. Guidelines will be promoted and encouraged to be used during the drafting process of the forthcoming new Anti-corruption Strategy and Action Plan.

b) Risk Assessments in Judiciary, Prosecution and Public Procurement

The risk assessment in judicial system was initiated via 2 expert missions in October and November 2016 covering meetings with all levels of judicial institutions throughout Kosovo, other concerned institutions, lawyers, civil society, media, international organisations and partners. The meetings in courts were broad in scope and levels of interlocutors including 6 presidents of courts, judges serving at various departments (serious crimes, general and juvenile departments), and support staff such as administrators, professional associates, legal officers/secretaries, heads of case management offices including different levels of clerks, archivists, personnel, finance, procurement and statistics officers. A total of 142 participants (53 women and 89 men) attended these meetings.

Similarly, the risk assessment in the prosecution was initiated via expert missions in October and November 2016 covering meetings with all levels of prosecutorial institutions, other related institutions, civil society, media, international organisations and partners. Meetings in basic prosecution offices included 5 chief prosecutors, prosecutors serving at various departments (serious crimes, general and juvenile departments) and support staff such as administrators, legal professionals, archivists, IT staff, budget officers and statistics officers. The expert team met with a total of 204 participants (101 women and 103 men). Both experts responsible for prosecution and judiciary met with 346 representatives of 35 different institutions in prosecution and judiciary areas (55.5% male and 44.5% female).

The launch of the risk assessment in public procurement took place via two expert scoping missions in November and December 2016 covering meetings with a total of 56 participants from 31 different institutions at central and local level including specific public procurement institutions and entities, municipalities, public companies, economic operators, civil society organisations monitoring procurement activities, investigative journalist, managers of contracts and partners.

The launching phase of the risk assessments focused on essential issues related to identification of

main corruption risks and vulnerabilities in the 3 abovementioned sectors with particular emphasis on:

- legislative, regulatory and institutional frameworks;
- operational independence (financial, decision-making, appointment and others);
- internal capacity and practices;
- external oversight, accountability and control;
- integrity mechanisms and internal controls;
- transparency, accessibility and public trust in the sector;
- complaints, review and enforcement mechanisms; as well as
- management and effectiveness.

The first scoping missions for judiciary and prosecution were jointly coordinated and facilitated by both Judicial and Prosecutorial Councils focal points who accompanied the teams.

Outputs: 1 training (2 days); 1 technical paper (to be finalised); 6 fact finding field missions in 3 sectors (two in parallel, 19 working days in total); preliminary research and training/interviews with 436 participants from 82 institutions/entities.

Activity 1.2 Provide legal and technical opinions and legislative proposals and support their implementation to make the relevant anti-corruption legislation compliant with international standards

Inputs/Actions: 1.2.1 *Provide review of at least 6 relevant laws and advice on amendments to relevant legislation in order to comply with relevant international standards as recommended by PECK Assessment Reports*

a) Technical Paper (Legal Opinion) on the new draft Law on Prevention of Money Laundering and Combating Terrorist Financing (AML/CFT Law)

As a follow-up of the PECK I prior meaningful assistance in revising the existing AML/CFT Law (November 2014 to June 2015), the PECK II Project was involved in the latter and final stages of the drafting process of the new AML/CFT Law.

The Council of Europe provided a consolidated Technical Paper/legal opinion on the latest drafts of the AML/CFT Law. It should be noted that authorities did not undertake meaningful consultation at the final stage and several experts' finding and recommendations were not taken on board. The draft Law went through accelerated adoption proceedings in the Assembly due to specific requirements on the FIU request of membership to the Egmont Group. On 23 May 2016, EUSR, EULEX and the Project team presented important outstanding issues to the chair of the responsible committee of the Assembly.

The AML/CFT Law No. 05/L-096 was adopted on 25 May 2016 (Official Gazette 18/2016) and entered into force on 15 June 2016. Despite notable improvements compared to the previous Law, further improvements would be needed to bring this piece of legislation closer to applicable international standards and good practices.

As the new AML/CFT Law sets requirements to issue different sublegal acts, this obligation will be implemented by reviewing existing instruments and/or introducing new sublegal acts. The Project team discussed with the FIU and Central Bank counterparts to identify concrete needs where the Project assistance will be required to assist and support this process. In this regard, on 24 November 2016 the CBK Supervisory Board adopted the Regulation on Prevention of Money Laundering and Financing of Terrorism which regulates the financial sector in accordance with the current AML/CFT Law.⁹

b) Revision process of terrorist financing shortcomings

The Project has been officially invited by the Ministry of Foreign Affairs to support actions to address combating of terrorist financing with regard to targeted financial sanctions and financing of proliferation (PF) in compliance with FATF Recommendations 6 and 7 and UN Security Council

⁹ Upon request of the CBK, the Council of Europe has already provided assistance in 2014 through a detailed Technical Paper concerning the draft Regulation 16, two other administrative directives and especially the ways how to handle existing legal limitations.

resolutions 1267 and 1373

Following a coordination meeting convened with concerned stakeholders on 17 March 2016 the Ministry of Foreign Affairs set up the working group (WG) to carry out supplements and amendments to the Law No. 03/L-183 on Implementation of International Sanctions. The WG is chaired by the representative of the Ministry of Foreign Affairs and comprises experts from other concerned institutions and PECK II Project Advisor. During the period of November and December 2016, the WG met three times to discuss needed steps and take position about the draft Concept Document and further adoption stages.

PECK II Project is committed to provide support and international technical expertise during the drafting process in order to ensure necessary compliance with international and European standards and good practices. Addressing existing shortcomings has also been echoed by the EC Kosovo 2015 and 2016 reports.

c) Technical Paper (Legal Opinion) on the draft Law on Conflict of Interest

Following discussion and negotiation with MoJ, the Project team received an official request to provide expertise and assistance in drafting amendments or drafting a new Law on Prevention of Conflicts of Interests. Two former government initiatives to amend the existing law failed due to diverging positions between concerned stakeholders and past concerns raised by the Project in cooperation with EUSR/EUD, EULEX and other stakeholders. As a result of coordinated discussions, a decision was taken by beneficiaries to draft a new CoI Law instead of amending the existing one.

From September to November 2016, PECK II Project reviewed, delivered and presented a Technical Paper (Legal Opinion) on compliance of the drafted CoI Law provisions with European and international standards and good practice (see also below under Action 1.2.2).

d) Technical Paper (Legal Review) on the Law on Protection of Informants

The Project carried out a review of the existing whistleblowing legal framework (Law No.04/L-043 on Protection of Informants). A revision of this Law is recommended to undertaken with all identified shortcomings and recommendations.

See also section 1.3 below for activities pertaining to whistleblowers protection.

Inputs/Actions: *1.2.2 Support the drafting of the necessary legislative instruments based on the results of the reviews conducted under 1.2.1*

From July to November 2016, the Project team facilitated and supported more than 10 working group meetings with the MoJ and KAA representatives with the aim to review and ensure drafting of a new Conflict of Interest Law. Additionally, 2 international expert missions took place in September and October 2016 to support working group discussion with MoJ and KAA and present the expert Legal Opinion on the current draft Law to representatives of concerned institutions, EU and other international partners and concerned civil society representatives. The finalised draft Law takes into consideration the majority of recommendations provided by the expert. The draft CoI Law is currently pending adoption at the [Assembly](#).

Furthermore, following discussion and negotiation with the Ministry of Justice (MoJ), the Project team received an official request to provide technical expertise in introducing legal provisions on suspension and dismissal of officials with active indictments and definitive convictions for corruption-related offences. This initiative stems from the EC Kosovo 2016 Report concerns raised that Kosovo legislation does not lay down any mechanism governing public officials charged or convicted for serious or corruption-related crimes.

Outputs: 3 technical papers delivered; 39 participants from 10 institutions/entities; 2 workshops; 14 working groups and other coordination meetings.

Activity 1.3 Review legal and institutional whistleblowing mechanisms and provide proposals for improvement

Inputs/Actions: *1.3.1 Review of the existing whistleblowing legal framework to identify*

shortcomings and provide recommendations

The Project facilitated the development of the legal and institutional framework for whistleblowers protection and enhanced capacities of authorities in this area through a number of activities.

Upon discussion and agreement with KAA and MoJ the Project facilitated a CoE expert scoping mission in June 2016 which included bilateral meetings with 10 relevant beneficiary institutions and civil society representatives on the topic of whistleblowers protection.

A subsequent workshop on whistleblowing mechanisms in Kosovo brought together 25 participants (9 women and 16 men) from over 13 government agencies. These activities aimed at discussing current situation of whistleblowing mechanisms in Kosovo, identifying legal gaps and shortcomings vis-à-vis relevant standards in this area, and exchange comparative and local experience about legal, institutional and operational mechanisms. The obtained information aimed to better identify needs and shortcomings as well as opportunities for further improvement and strengthening through the review findings and recommendations.

As a result of CoE support in this area three Technical Papers were produced namely:

- Preliminary review of institutional and operational whistleblowing mechanisms in Kosovo;
- Technical Paper on review of legal whistleblowing framework; and
- Technical Paper on analysis of institutional and operational shortcomings of the whistleblowing system.

In October 2016 the Project organised a workshop where all three draft Technical Papers regarding legal, institutional and operational whistleblowing mechanisms in Kosovo were presented by Council of Europe experts. 28 participants (10 women and 18 men) from 18 beneficiary institutions, EU and civil society organisations took part to the workshop and participated in discussions.

The technical papers are finalised and are annexed to this report. Based on the findings and recommendations provided therein the Project will engage in follow-up activities to be determined and agreed with local beneficiaries. One of them is revising the whistleblowing legislation followed by awareness-raising on this issue, including students and youth in general.

Outputs: 1 scoping mission, 2 workshops; 3 technical papers delivered; 65 participants from 21 institutions/entities.

Activity 1.4 Strengthen KAA investigative capacities and improve quality of reporting to law enforcement authorities as a result of the development and/or revision of methodologies, guidelines and Standards Operating Procedures (SOPs)

Inputs/Actions: *1.4.1 Review of the KAA legal, institutional and operational frameworks*

1.4.2 Provide advice/guidelines, recommendations and good practice on KAA internal procedures and organisation, investigative capacities, cooperation needs, management and quality of information exchange

1.4.3 Support KAA visibility and communication capacities and delivery of up to 3 awareness actions (including handbooks, manuals and others)

With the aim to strengthen the capacities of the Kosovo Anti-corruption Agency (KAA) the Project undertook a review of its regulatory, institutional and operational framework. During May and June 2016, the Project team held consultations with the KAA to determine the modalities of the Agency review, which comes as KAA marks 10 years of existence and works through a leadership transition.

Following the agreement with KAA, a Council of Europe scoping expert mission involving bilateral meetings was organised in September 2016, including KAA management and 14 other relevant beneficiary institutions, civil society organisations and international community.

A follow-up Workshop on the review of the regulatory, institutional and operational framework of the KAA was organised in October 2016 involving the KAA and other interested beneficiaries. Additionally, an internal questionnaire in the form of a skills matrix was prepared by CoE experts and filled by the

KAA core staff in order to map KAA staff experience and relevant skills.

The final technical papers on the KAA review will be presented in January 2017 to senior public officials and other representatives of beneficiary institutions including concerned civil society and international community representatives. The findings and recommendations provided in TPs are expected to form the basis for the future reorganisation of KAA including changes to the existing KAA legal framework (i.e. Law on KAA and Law on asset declaration of senior officials).

With regard to the action 1.4.3, the Project has started and will further identify and agree with representatives of both main benefiting institutions (Kosovo Anti-corruption Agency and Financial Intelligence Unit) on needed support to design and produce visibility and promotional materials for both institutions as well as on actions aiming to increase visibility and communication capacities and concrete delivery of awareness actions targeting economic crime issues.

Outputs: 1 scoping mission, 2 workshops; 2 technical papers delivered but still to be finalised; 56 participants from 22 institutions/entities.

Activity 1.7 Support the dialogue and consultation processes between public authorities and civil society organisations on anti-corruption reform initiatives

Inputs/Actions: *1.7.4 Assist targeted public awareness-raising actions and materials on corruption prevention and integrity promotion*

On the occasion of the International Anti-corruption Day, PECK II Project raised public anti-corruption awareness by co-organising in cooperation with EU Office, Kosovo Anti-corruption Agency and Kosovo Democratic Institute (TI chapter) the screening and discussion of two documentaries on Youth engagement in fighting corruption. This activity was widely echoed by local media.

The documentaries showed the negative impact of corruption in health and education sectors as well as the problem viewed from the perspective of institutions themselves. Students from University of Pristina invited to attend the event expressed great interest and actively participated in discussions on the anti-corruption efforts of authorities in Kosovo. Upon agreement with local beneficiaries and civil society the Project will continue with activities related to raising awareness on corruption prevention and integrity promotion.

Outputs: 1 awareness-raising activity, 2 documentaries; 29 participants.

Expected Interagency information exchange and cooperation mechanisms are
Result 2: streamlined to ensure effective coordinated measures against economic
 crime

Most of the activities related to the ER 2 are to be undertaken as of 2017 while the two last components (ERs 3 and 4) are planned as of late 2017 until the end of the Project.

Activity 2.4 Enhance monitoring, evaluation and reporting on economic crime policy documents and action plans

Inputs/Actions: *2.4.2 Support the development of indicators to assess/measure the implementation level of economic crime policy documents and action plans*

The Project enhanced the capacities of AML/CFT agencies in reporting progress achieved in implementing the Strategy and Action Plan for Prevention of and Fight against Informal Economy, Money Laundering, Terrorist Financing and Financial Crimes 2014 – 2018 (AML/CFT Strategy). In December 2016 the Project provided support by organising a two-day workshop for the Secretariat for Combating Informal Economy within the Ministry of Finance, which is the main reporting authority for the AML/CFT Strategy.

The aim of this event was to discuss the progress in the implementation of the Action Plan and the

level of implementation of measures provided therein which offered a basis for drafting the progress report for 2015. Institutions present at the event provided inputs with additional and updated information on status of respective measures and their indicators.

Following agreement with the Ministry of Finance, the PECK II Project will provide further support to the Secretariat on issues related to informal economy, including further progress reporting in 2016 on the implementation of the Action Plan as well as future needs in terms of revision and updating of the Action Plan measures.

Outputs: 1 workshop (2 days).

6 MANAGEMENT AND ORGANISATION

6.1 Management

The overall management and organisation of the project is led by the Council of Europe. For this purpose a project team has been established within the Economic Crime and Cooperation Division. The project management team ensures the appropriate management, supervision and quality control of all project activities and deliverables on a day to day basis by discharging their different roles and tasks.

The Pristina Project team of three members (Project Advisor, Senior Project Officer and Project Linguistic Assistant) which implements the Project activities on a day-to-day basis is directly reporting to the Economic Crime and Cooperation Division at the Action against Crime Department for substance matters and workplan implementation related issues, and as such, they are supported by an Administrator of the Division and a Project Manager and Assistant in Strasbourg. Their administrative daily work in Pristina is supervised and supported by the Council of Europe Office in Pristina. The Project offices are situated on the premises made available at the Council of Europe Office in Pristina which also provides the technical and IT infrastructure necessary for the team.

6.2 Steering Committee

A functional Project Steering Committee (SC) is established to ensure strategic decision-making and oversee the proper implementation of the Project. It addresses any major issues that the project may face. The SC consists of 12 key central institutions in charge of economic crime related areas (anti-corruption, anti-money laundering and combating financing of terrorism) as well as European Union Office and the Economic Crime and Cooperation Division of the Council of Europe. The SC shall be called to meet on a regular 6-month basis and *ad hoc* (whenever such need arises). The responsibilities of the Steering Committee are the following:

- i. Monitoring the implementation of the project and discussing its achievements;
- ii. Approving workplan and calendar of activities;
- iii. Assessing emerging issues for sound project implementation and approving the resulting guidelines for the Project Management; and
- iv. Approving the necessary departures from the original ToR or Workplan.

The Steering Committee consists of the following members: Kosovo Anti-corruption Agency, Financial Intelligence Unit, Office of Good Governance/Prime Minister's Office, Ministry of Justice, Ministry of Finance, Ministry of Internal Affairs, Kosovo Police, Kosovo Judicial Council, Kosovo Prosecutorial Council, Central Bank of Kosovo, Ministry of European Integration, Special Prosecution of Kosovo, European Union Office in Kosovo, and Economic Crime and Cooperation Division of the Council of Europe.

a) First Project Steering Committee Meeting: The 1st Project Steering Committee meeting took place on 4 May 2016 and was attended by the nominated permanent members of 10 beneficiary institutions, European Union Office in Kosovo, Head of the CoE Office in Pristina and PECK II Project team. The SC members discussed and adopted the Project SC Terms of Reference and list of SC members, the Inception Report, the Workplan, the Calendar of Activities as well as the Project Communication and Visibility Plan prepared during the inception period. The SC members took note of the FIU request to consider the undertaking of sectoral risk assessments in the AML/CFT area. Appropriate coordination between the Project and a new EU-funded Project (IPA II 2015 to be launched in 2017) will be needed to accommodate this request.

b) Second Project Steering Committee Meeting: On 13 December 2016, the Project held its 2nd Steering Committee meeting to present to the SC members implemented activities and achieved results since the first SC meeting (May 2016). In addition, Project future planned activities for the first quarter of 2017, implementation modalities and their potential timeframe were discussed and agreed. The Project team updated the SC members about on-going steps and preparations in terms of upcoming implementation of communication and visibility actions.

7 COOPERATION WITH STAKEHOLDERS

7.1 Counterpart beneficiaries

On the whole, the PECK II Project cooperation and communication with its stakeholders was excellent. The PECK II Project team maintained regular communication with the two main beneficiaries KAA and FIU which resulted in their active presence at Project activities and excellent working relations.

Throughout the reporting period representatives of beneficiary institutions demonstrated commitment cooperating with and participating at Project activities. This has been especially the case with the review of KAA regulatory, institutional and operational framework, where the KAA has been very proactive and open to cooperation with the Project. Moreover, the drafting process of the Law on Conflict of Interest has been an intensive exercise with the local beneficiaries whereby the Project was included in the process since the very beginning and it played a central role in supporting the drafting and finalisation of the law.

Overall, beneficiary institutions engaged proactively in project activities showing interest in topics discussed.

7.2 Other third parties

The Project has been actively involved with the LRM within the EUSR providing contributions and comments to legislative initiatives related to legislative benchmarks enumerated in the various EU alignment processes.

The Project attended regular coordination meetings with other EU funded Projects in the area of judicial support namely: 'Strengthening policy formulation and legislative drafting', 'Further support to legal education reform', EU/CoE Horizontal Facility Action: Strengthening the Quality and Efficiency of Justice in Kosovo', 'Strengthening efficiency, accountability and transparency of the judicial and prosecutorial system in Kosovo'.

In addition, the Project participated regularly in the anti-corruption partnership briefing organised by UNDP funded project "Support to anti-corruption efforts in Kosovo" (SAEK) where various donors such as EU, USAID, OSCE, EULEX, Swiss Development Cooperation, Norwegian, Dutch, British and US embassies meet to discuss and coordinate activities in the anti-corruption area.

Representatives of EULEX, UNDP, USAID, OSCE, IMF and World Bank were regularly invited to participate and contribute to the Project activities, with various levels of participation.

During the reporting period, the Project established and maintained active cooperation with NGOs in relation to various activities undertaken by the Project. More specifically, it strived to properly reflect their views when conducting corruption risk assessment, KAA review and whistleblowing related activities.

8 VISIBILITY

The Project paid special attention to the visibility of its actions and it ensured the visibility of EU contribution at all stages of its activities. The Council of Europe took all appropriate measures to publicise the fact that the Project funding has been received from a European Union agreement. The JP logo, disclaimer and all Project related documents and deliverables acknowledged that actions had been carried out "with funding from the European Union". They were appropriately displayed and acknowledged during activities, communication and meetings, including on banners, hand-outs, publications and issued materials.

Furthermore, folders, notebooks, pens, bags and USB keys with the Project title and logo were regularly distributed to all beneficiaries during the events organised by the Project, and the Project banner was displayed in conference rooms.

On the Council of Europe Economic Crime Cooperation Division website (www.coe.int/corruption) there is a section exclusively dedicated to the PECK II Project (www.coe.int/peck2). Project news, upcoming events, relevant project documents (e.g. DoA, project workplan, inception report, project summary, etc.) and other links of relevance to the Project are available through this website. Moreover, specific project activities are also featured on the website of the Council of Europe Office in Pristina (www.coe.int/pristina). Important relevant activities are posted as well on the DGI website

During the inception period, the project obtained design of the project visual identity and production of visibility materials such as banners, leaflets, pens, folders, notebooks, eco-friendly bags and USB memory sticks that were and will be used to ensure adequate visibility of actions, increase the interest of beneficiaries and make the Project recognisable. The Project Launching Conference was broadly featured by local and some international media.

The Project contracted a third-party service provider to provide communication and visibility services in line with the initial adopted plan and respective budget that include development of a Communication and Visibility Plan (CVP) and guidelines that will be used during the Project duration. The CVP will serve as a guide with a well-structured set of activities and media suggestions to assist PECK II communication objectives, namely disseminating project information, given assistance and support for better visibility and communication on prevention and control of corruption, money laundering and financing of terrorism in Kosovo.

The third-party service provider will also provide its professional services to the development of communication content with creative project slogans, communication/awareness campaign messages for Project components and themes as well as development and advice on content and tools of specific awareness raising campaigns.

The Project will continue to pay special attention to the visibility of its actions and results.

9 DIFFICULTIES/RISKS ENCOUNTERED DURING IMPLEMENTATION

Besides some minor difficulties encountered the Project did not face specific risks during the reported implementation period.

Full-scale project implementation started at the beginning of summer period which caused a slowdown in the pace of activities; however with concentrated efforts the Project managed to ensure the necessary intensive engagement in activities by end of summer.

Several impediments surfaced prior to the initiation of the corruption risk assessment process namely due to lack or little understanding amongst local beneficiaries about the corruption risk assessment process and its relevance. Additional efforts needed to be applied to explain about the process and its benefits before obtaining the full agreement and engagement by the affected institutions to the process itself.

10 CONCLUSIONS

The Project accomplished and delivered a number of important outputs in its first year of operation. Planned activities have been implemented within the budget, with rational use of resources and careful and timely planning. It provided promising ground for the ongoing and future reforms on economic crime within the scope of undertaken activities, creating impetus for change through assistance and support.

The corruption risk analyses within the judiciary, prosecution and public procurement are nearing completion with final reports and sets of recommendations scheduled to be presented by end of April 2017. They will provide a strong basis for KAA during the crafting of the new anti-corruption strategy as well as enable the authorities to develop mechanisms aimed at preventing and tackling corruption within these sectors. The Project will additionally engage in follow up risk mitigation activities upon agreement with beneficiaries.

The KAA review which has already received positive responses is expected to be used for the future reorganisation of KAA including changes to the existing KAA legal framework such as Law on KAA and Law on asset declaration of senior officials. The Project will continue to work closely with the KAA on strengthening its capacities.

Furthermore, the Project will be actively engaged in reviewing and supporting the drafting of priority draft legislation. This would include potential involvement in addressing targeted financial sanctions and measures related to terrorist financing and financing of proliferation of weapons of mass destruction, introducing legal provisions on suspension and dismissal of officials with active indictments and definitive convictions on corruption-related offences, corruption and AML/CFT offences in the framework of forthcoming revision of Criminal and Criminal Procedure codes, amendments and supplements to laws on KAA and asset declaration of senior officials, as well as legal and institutional measures related to whistleblowing.

During the first year of implementation the PECK II Project established an effective operational Project team, developed efficient channels for cooperation with beneficiaries and implemented a range of activities in accordance with the Workplan. The Project framework and produced deliverables set a solid foundation for continued successful implementation in subsequent years.

Name of the contact person for the Action: Ardita Abdiu

Signature:

Date:

VISIBILITY MATERIALS

Project Launching Conference – Pristina 26 May 2016



International and local media on PECK II Project



www.zeriamerikes.com/

Nis projekti kundër krimit ekonomik në Kosovë (Drejtëpërdrejt)

Zyra e Bashkimit Evropian në Kosovë dhe Këshilli i Evropës organizojnë konferencë të nivelit të lartë për të shënuar fillimin e projektit të përbashkët kundër krimit ekonomik në Kosovë.

Linku:



www.kosovapress.com/



Project First Steering Committee
Meeting – Pristina
4 May 2016

Screenshot of the Project website



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Project against Economic Crime In Kosovo* - Phase II (PECK II)



Funded by the European Union
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Implemented by the Council of Europe

Corruption remains a serious challenge for Kosovo. According to a number of surveys conducted by national and international organisations, control of corruption has proved to be scarce. On the field of money laundering and terrorist financing, there is a need for continuous legislative and organisational reforms in line with European and international standards. The joint CoE/CoE Project against Economic Crime (PECK I) implemented during 2012-2015 for the first time in Kosovo introduced and consolidated assessments of the Anti-corruption (AC) and Anti-Money Laundering/Combating the Financing of Terrorism (AML/CFT) frameworks and measures, various relevant international and European standards. However, there is a need to continue to support Kosovo institutions in carrying out comprehensive assessments and moreover provide assistance in implementing specific recommendations from the previous assessment cycles conducted within PECK I.

In view of this, PECK II will:

- build on the results and lessons learned from PECK I and aims to support reforms tailored to prevent and combat economic crime;
- assist Kosovo authorities with the implementation of specific recommendations issued within PECK I;
- carry out a second phased assessment of AC and AML/CFT frameworks vis-à-vis existing international and European standards.

As a result an IPA 2014 Contribution Agreement as a Joint Programme was signed in December 2015 between the Council of Europe and the European Union Office in Pristina. The PECK II Project started on 1 January 2016, with a duration of 36 months and a budget of 2,225,000 Euro (EU funds: 98,000% and CoE funds: 10,11%).

The Project's overall objective is to contribute to the democracy and the rule of law through the prevention and control of corruption, money laundering and the financing of terrorism in Kosovo. The Project's purpose is to strengthen institutional capacities to counter corruption, money laundering and financing of terrorism in Kosovo in accordance with European standards through targeted technical assistance and assessments for improving and streamlining economic crime reforms. The Kosovo Anti-Corruption Agency (KAA) and the Financial Intelligence Unit (FIU) are the main counterpart institutions for this Project.

PROJECT DOCUMENTATION & DELIVERIES

- [Project Summary](#)
- [Description of Action \(DoA\)](#)
- [Workplan](#)
- [Inspection Report](#)
- [Technical Papers](#)

USEFUL LINKS

- [PECK I - Kosovo*](#)

MAIN ACTIVITIES

- [May - September 2016](#)

PHOTO GALLERY

- [2016](#)

CONTACTS

- [PECK II - Project](#)

11 ANNEXES

11.1 Workplan (attached)

11.2 Annual Calendar of Activities

Action No	Logframe Activity No	Name	Venue	Date
01	1.2	Review of the new AML/CFT Law	Pristina	April – May 2016
02	n/a	1 st Project Steering Committee Meeting	Pristina	4 May 2016
03	n/a	Project Launching Conference	Pristina	26 May 2016
04	1.1	Working group meeting on identifying priority areas for conducting corruption risk assessments	Pristina	16 June 2016
05	1.3	Workshop on whistleblowing mechanisms in Kosovo	Pristina	23 June 2016
06	1.4	Scoping mission to review regulatory, institutional and operational framework and mechanisms of the Kosovo Anti-corruption Agency	Pristina	13-14 September 2016
07	1.2	Working group meeting on reviewing the Law on Prevention of Conflict of Interest	Pristina	13-14 September 2016
08	1.4	Workshop on the review of the regulatory, institutional and operational framework of the Kosovo Anti-corruption Agency	Pristina	13 October 2016
09	1.3	Workshop to review regulatory, institutional and operational whistleblowing mechanisms in Kosovo	Pristina	21 October 2016
10	1.1	Training on corruption risk assessment methodology	Pristina	24-25 October 2016
11	1.2	Working group meeting on drafting the Law on Conflict of Interests	Pristina	27-28 October 2016
12	1.1	Corruption risk assessment in prosecution - 1 st field mission	Pristina, Peja, Gjakova, Prizren, Ferizaj, Gjilan and Mitrovica	31 October - 4 November 2016
13	1.1	Corruption risk assessment in judiciary - 1 st field mission	Pristina, Peja, Gjakova, Prizren, Ferizaj, Gjilan and Mitrovica	31 October - 4 November 2016
14	1.1	Corruption risk assessment in public procurement - 1 st field mission	Pristina	7-11 November 2016
15	1.1	Corruption risk assessment in prosecution – 2 nd field mission	Pristina	21-25 November 2016
16	1.1	Corruption risk assessment in judiciary – 2 nd field mission	Pristina	21-25 November 2016
17	1.1	Corruption risk assessment in public procurement – 2 nd field mission	Pristina, Ferizaj and Gjilan	21-25 November 2016
18	1.7	Anti-corruption Day Event 'Youth engagement in fighting corruption'	Pristina	9 December 2016
19	n/a	2 nd Project Steering Committee Meeting	Pristina	13 December 2016
20	2.4	Working group meeting on reporting about the AML/CFT Strategy and Action Plan	Pristina	14-15 December 2016

11.3 List of Technical Papers

Date	Technical Papers (2016)	Languages
May 2016	Legal Opinion on the new Draft Law on the Prevention of Money Laundering and Combating Terrorist Financing of Kosovo	Eng./Alb.
May 2016	Addendum to Legal Opinion on the new Draft Law on the Prevention of Money Laundering and Combating Terrorist Financing of Kosovo	Eng./Alb.
October 2016	Preliminary review of institutional and operational whistleblowing mechanisms in Kosovo	Eng./Alb.
October 2016	Review of the whistleblowing legislation in Kosovo	Eng./Alb.
October 2016	Institutional reforms in the context of Kosovo national whistleblowing framework	Eng./Alb.
October 2016	Preliminary assessment in identifying potential corruption risks and vulnerabilities in the Kosovo prosecutorial system	Eng.
October 2016	Preliminary assessment in identifying potential corruption risks and vulnerabilities in the Kosovo judicial system	Eng.
November 2016	Preliminary assessment in identifying potential corruption risks and vulnerabilities in the Kosovo public procurement sector	Eng.
December 2016	Review of Institutional and Operational Framework and Mechanisms of the Kosovo Anti-corruption Agency ¹⁰	Eng./Alb.
December 2016	Review of Regulatory Framework of the Kosovo Anti-corruption Agency	Eng./Alb.
October 2016	Legal Opinion on the new Draft Law on the Prevention of Conflict of Interest	Eng./Alb.

¹⁰ Technical papers on KAA review are in pre-final stage and may undergo further amendments when they will be presented to beneficiaries.