The Municipal Performance Grant 2020

Peja/Peć Municipality – The Best performer for 2018 performance

The Municipal Performance Grant (MPG) gives out grants to municipalities based on their performance in selected fields as an incentive to stimulate municipalities to further improve their performance.

The MPG incentivizes improved performance in: Democratic Governance, Municipal Management and Service delivery.

The MPG is a mechanism established and co-financed by the Ministry of Local Government (MLG) and the Swiss Agency for Development and Cooperation (SDC), Sweden and Norway implemented together with Helvetas Swiss Intercooperation DEMOS project.

On an annual basis, the Ministry of Local Government (MLG) together with its donors of the MPG, organizes the ceremony to announce and celebrate the success of best performing municipalities in the good governance indicators as part of the MPG scheme.

During the ceremony, municipalities find out their performance scores in Democratic Governance, Municipal Management and Service Delivery. And most importantly, they get awarded in line with that performance. They also find out which municipality will be the proud holder of “The best performing Municipality” title.

The Public Health Emergency situation in Kosovo due to the COVID-19 outbreak, made it impossible for the Ministry of Local Government and its main donors to organize its annual performance grant award ceremony for this year.

Instead of the ceremony, MLG and donors issued a joint press release announcing the results of the 2020 MPG cycle. In addition, other media and online activities were organised to mark this important annual event.

The Municipal Performance Assessment for the 2020 grant awarded 23 municipalities.

The novelty of this year’s grant was that three best performing municipalities received top up grants for their performance: 

- Municipality of Lipjan/ Lipljan
- Municipality of Pejë/Peć
- Municipality of Junik/Junik

Municipality of Pejë/Peć
1st place

Municipality of Junik/Junik
2nd place

Municipality of Lipjan/ Lipljan
3rd place
In total 4.9 million euros were awarded to qualified municipalities and additional awards for three best performing Municipalities in Kosovo.

When talking about the commitment and determination to improve performance in municipalities, Peja/Peć municipality is a great example.

In the past year’s assessment of the MPG performance, Peja/Peć was second, but clear vision of the Mayor of Peja/Peć and hard work of his staff has yielded great results for this municipality.

In order to reach the “Best performing municipality” title, this municipality went a step further. Peja/Peć municipality dedicated additional resources and created a working group which focused on improving the results in all indicators of MPG and especially those where performance was low. Municipality organised special internal workshops to identify areas that need improvement, plan relevant actions to improve, and it also monitored the progress regularly. According to the Mayor of Peja/Peć, MPG doesn’t only assess and awards the annual performance of municipalities, but it also contributes to their further development.

The municipal willingness and good leadership can bring about a positive change in a rather short period of time. In the discussions with better performing municipalities, this was very clear, Mayors, Directors and civil servants are very well informed about how MPG works, how indicators are measured, the opportunities for a quick gains and which indicators require more energy and time to achieve positive result. This strategic approach is very obvious in the municipality of Peja/Peć, where one can see the Mayor with the clear plan and dedication towards sustainable performance increase.

“...The municipal performance grant is very important to me as mayor, but also to all the staff of our municipality. This grant appreciates the work done during a year and contributes to further development. We as a municipality have allocated resources to work diligently to increase performance in all MPG indicators, and in particular in low performance indicators. The work done was rewarded with additional funding, because we won the title “Municipality with the best performance”. After all, everything is done with and for our citizens. If the municipality works, the citizen gains!”

Gazmend Muaxheri
– Mayor of Municipality of Peja/Peć
The Association of Kosovo Municipalities (AKM), as in previous years, started the year 2020 with annual plans based on the four-year Strategy. However, normal and planned works and engagements, based on the needs and inquiries of Municipalities, was disrupted by the situation with COVID-19 pandemic, where new challenges and needs of municipalities have surfaced out, for which situation the AKM had to lobby and address to the central level.

The Covid-19 pandemic, which officially appeared in Kosovo in mid-March, has forced the mechanisms of the Association of Kosovo Municipalities to work in other circumstances and conditions, but without diverting the manner of lobbying and advocacy in protecting and promoting the interests of Kosovo Municipalities.

Through various technological platforms, AKM Office has been online almost 24/7, in communication with municipalities (starting from the structure of Kosovo Mayors Council to AKM Collegia, other municipal departments and officials) to address their inquiries and needs, while on the other hand also to inform them with the developments in the Kosovo government or vice versa. It is worth mentioning here the good cooperation with the central level institutions, and clear consideration of our role even at this difficult time. The AKM representative has been a member of the national level Pandemic Management Group.

As a result of this engagement and the work of the AKM, it has been achieved that in the period of less than two months, many different issues of the municipalities are clearly addressed at the central level and implemented, and to turn into governmental and local actions many different municipality issues for the needs of better management of this pandemic across different Ministries.

Thus, only during this two-month period, through the request and lobbying of Association of Kosovo Municipalities these actions have been implemented, and among most important ones are as follows:

1. The Government decided to enable the Municipalities to transfer funds from the budget line for capital investments to a budget line that will cover the needs and demands arising only from the Municipal Emergency Headquarters in the fight against the spread of COVID-19 pandemic.

2. The Ordinance “on the performance of economic activities during the public health emergency”, dated 17.03.2020, issued by the Ministry of Economy, Employment, Trade, Industry, Entrepreneurship and Strategic Investments (MEETIESI) has been amended.
The Public Procurement Regulatory Commission has issued a ‘notice’ to facilitate public procedures for the authorities, a facilitation that has enabled the municipalities to contract the services provided by the municipalities in the fight against the spread of COVID-19 virus through negotiation with the economic operators due to emergency health situation.

The Ministry of Local Government Administration (MLGA) has suspended the non-review of the legality of the acts of the Municipal Assemblies for the financial aspects in the prevention of COVID-19 virus.

The Government of the Republic of Kosovo has changed the schedule for restricting the movement of citizens and private vehicles.

The Ministry of Finance and Transfers has approved the prohibition of interest and penalties for all citizens of the Republic of Kosovo due to delays in the payment of property tax until the end of the pandemic.

The Ministry of Health has decided that the schedule for restricting the movement of citizens should remain the same for all municipalities; from 17.00-06.00, except for the municipalities of Malisheva and Mitrovica North.

The Ministry of Agriculture, Forestry and Rural Development (MAFRD) created job opportunities for farmers who were at the peak of their field work, and enabled them to perform their field works without movement restrictions.

The Ministry of Economy, Employment, Trade, Investment, Entrepreneurship and Strategic Investments has allowed the works of Municipalities in infrastructure investments and maintenance of services. This was allowed under the condition that prior permission is obtained from the MEETIESI.
10. Municipalities have been enabled to announce tenders and continue with procurement activities, such as tenders for supplies, services or other works based on the plans they have (procurement plans).

11. Non-application of late payment interest and penalties for unpaid property taxes of this tax year (2020), throughout the year 2020 has commenced. Suspension of calculation of interest and penalty for non-payment of immovable property tax shall be valid until 31 December 2020.

12. Municipal Assemblies have started to hold sessions of starts under the conditions and measures foreseen by the relevant institutions.

13. The Ministry of Internal Affairs and Public Administration (MIA-PA) has extended and suspended the deadlines of the administrative procedure for the registration/declaration of facts of births and deaths that have occurred since 13 February 2020 until further notice.

Also, based on the work and outcomes, even at this time, AKM, as never before, has been present in public, improving its image in addressing the needs and demands of local government. AKM has been rated as a leading institution with activities that helped manage this pandemic and the main and only organization in the liaison role between the local and central level.
Virtual meetings with municipalities during pandemic times

In response to growing numbers of COVID-19 cases not only in Kosovo but all over the world, almost all institutions, including municipal governments are being forced to change the approach of their operation of daily work.

Some institutions, organisations are continuing with regular live meetings with social distancing measures, while others are moving almost exclusively online.

As of early days of the pandemic situation, DEMOS has responded in a variety of ways in order to continue its work and not to halt its support to municipalities and other relevant ministries which are very significant to the project.

The use of technologies has helped us in staying closer to the municipalities during this difficult times.

Through virtual meetings DEMOS project team met Mayors, Directors, Assembly chairs and other relevant municipal representatives to discuss the Municipal Performance Grant (MPG) in general and individual performance of each municipality. These meetings were a great opportunity to take a closer look at the challenges and opportunities to improve performance in MPG, but also challenges posed to municipalities as a result of the COVID-19 pandemic.

Challenges such as delays in procurement procedures, the need for better understanding of new indicators in the MPG, the need for further capacity building in some certain indicators were part of virtual lively discussion.

To mention one particular indicator considered to be as one of the most challenging indicator to reach good performance by most of the municipalities is the indicator that measures women participation in municipal public hearings. According to municipalities, the reason behind the low turnout of women in public hearings is combination of different factors, such as social norms, lack of general citizen interest to participate, but also mutual trust necessary for participatory decision-making.
COVID-19 pandemic has definitely had an effect on the performance of municipalities during 2020.

According to most of the municipalities, they will not be able to meet their plans for capital investment as a result of the conditions created by COVID-19 pandemic. This will have a direct impact on the fulfillment of qualification criteria of the Municipal Performance Grant, i.e. that municipalities need to reach at least 75% of budget expenditure on capital investments in order to qualify for the grant.

In addition, during our virtual meetings few new ideas were explored; provide online training for municipal officials as well as support municipalities to organize consultations with citizen by using online platforms and this way to encourage citizen participation.

DEMOS project team continues to work very closely with municipalities and other relevant institutions in Kosovo as its ongoing support towards more transparent, inclusive and efficient local government.

Integrity: Doing the right thing even if no one is watching you

Good governance is a contentious topic. The way public institutions manage their public activities and resources is something that lures controversy and criticism. This also concerns us to the very core. Why? Because our work contributes and cuts across many elements of good governance which include transparency, integrity, sound policy, participation, accountability, responsiveness, and the absence of corruption.

Kosovo public institutions face corruption risks that may have adverse effects on their functioning and public trust. Integrity Plans are developed to assist institutions to systematically address identified integrity risks, with the goal of strengthening institutional resistance to corruption and thus, reducing corruption levels. For this purpose, few years ago UNDP, though Swiss Development Agency for Cooperation (SDC) funded project, jointly with Kosovo Anti-Corruption Agency (KAA), worked on the development on these Plans to identify most vulnerable processes prone to corruption in selected institutions and to install integrity planning in their daily work. As the result many of municipalities developed their integrity plans. However, most of these plans have expired and they need to be updated. The Ministry of Local Government (MLG), as part of its action plan, will draft a model of integrity plan, so that municipalities can use that model and reflect their specifics and requirements.

As part of the Municipal Performance Grant, DEMOS project on the annual basis measures whether municipalities have submitted to the Municipal Assemblies the annual implementation report of the Municipal Integrity Plan as one of the
During 2019, the DEMOS project has held several training sessions with members of all municipal assemblies of Kosovo, where integrity planning was one of the subjects too. Part of this training was also the municipality of Hani i Elezit. The Director of Administration was highly interested to better understand the importance and content of this plan. Due to their willingness and commitment, the municipality of Hani i Elezit managed to draft the Integrity Plan for the first time and it was later approved by the Municipal Assembly in late December 2019.

According to the Director of Administration Edon Curri, this training has helped them to better understand and simplify the implementation of internal work organisation of their administration and to better understand practicalities of development and implementation of the Integrity Plans.

“The integrity plan shows our commitment to further improve the existing operational controls in activities carried out, including the provision of services to citizens. To this end, it specifies risk-based measures to meet its integrity objectives and strengthen the rule of law and professional values and standards,” concludes Mr. Curri.

The effects of the current COVID-19 pandemic has also had an impact on the implementation of this plan for Hani i Elezit municipality. “Unfortunately just as we approved the plan and started to work on the implementation strategy, our municipal priorities switched on the management of the emergency health situation created by the current pandemic in our municipality. Yet, we are trying to pay due attention to integrity, such as that procurement done in this emergency situation complies with the standards required by the legislation in force and that goods and works procured are to the benefit of the targeted citizens”, explains Mr. Curri. This is considered by most of the municipalities as a very important indicator since it measures implementation of integrity plans and shows willingness and efforts of the municipalities to prevent corrupt practices and enforce good governance.

The knowledge and the best practices how to do the right thing are not missing, we just need to show willingness to reform the municipalities doing the right thing even when no one is watching us – That is integrity!