The Municipal Performance Grant is a mechanism established and co-financed by the Ministry of Local Government (MLGA) and the Swiss Agency for Development and Cooperation (SDC). Since 2019, Sweden and Norway have been co-financing the municipal performance grant, which is implemented jointly with Helvetas Swiss Intercooperation’s DEMOS project.

The Municipal Performance Grant gives out grants to municipalities based on their performance in selected fields. It is focused on stimulating municipalities to further improve their performance in democratic governance, municipal management and municipal service delivery.

**How Does It Work?**

The Municipal Performance Grant is based on the following principles:

- Municipalities must, for each year, meet a number of minimum conditions before they qualify for the Performance Grant on an annual basis.
- For all the municipalities that have met the minimum conditions, the grant that each municipality gets is based on its relative scores against 30 performance indicators.

**Performance Grant Goal**

The overall goal of the Municipal Performance Grant, which is fully integrated into the Kosovo system, is to incentivise municipalities to improve governance processes and services towards their citizens.

The Grant can be used for capital investments only.

All 38 municipalities of Kosovo are eligible to participate in the Municipal Performance Grant.

The annual budget of about 4.5 million Euro is available in the years 2020 - 2021.