Law

ON THE CAPITAL CITY OF THE REPUBLIC OF KOSOVO, PRISTINA, THREE YEARS AFTER ADOPTION

Level of implementation and effects achieved
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EXECUTIVE SUMMARY

The regulation of the status on the capital city by a special law is an objective of many countries, aimed at determining a more special status in comparison to other cities. In particular, European countries have given importance to the regulation of the status of the capital cities (Germany, Slovakia, Croatia, etc.). It is evident that the majority of the population is concentrated in capital cities. The territory of the capital city is larger while economic development, diplomatic services and other important elements take place mainly in capital cities. For these reasons, different countries, by way of special laws, have defined a different status from those of other cities in order to decentralize services and establish different mechanisms that deal with the provision of these services, to increase the budget for better implementation of responsibilities arising from such laws, etc.

With the declaration of independence of Kosovo and the adoption of the Constitution of the Republic of Kosovo, Kosovo, as a Constitutional obligation, defined that Prishtina, as the Capital City, should have a special law that gives it a special status and which regulates various aspects in providing services for citizens and that differ from their regulation by the Law on Local Self-Government. Such a law was adopted in 2018; however, even after three years of its entry into force, there are still some challenges in its proper implementation which will be presented in this report in order to analyse and reach to some conclusions and recommendations:

- **Lack of adequate implementation of legal provisions.** Despite the fact that the Law on the Capital City of the Republic of Kosovo stipulates that the capital city must have its own coat of arms, seal, emblem and flag, no initiative has yet been taken by the Municipal Assembly of Prishtina and its bodies to harmonize these symbols. Prishtina still has the 2010 Statute in force which is based on the Law on Local Self-Government; however, there has been no initiative to change and address any of the issues addressed by the Law on the Capital City of the Republic of Kosovo, Prishtina. In all its acts and designations, it is referred to as the Municipality of Prishtina, not the capital city of Prishtina.

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- **Lack of establishment of bodies defined by law.** The Law on the Capital City of the Republic of Kosovo, Pristina, gives mandate to the Municipal Assembly of the Capital City of Pristina to establish the Police Directorate; however, such a body is yet to be established. The situation is similar in terms of the provision of secondary health care, whereby it is determined that Pristina can have its own hospital. Due to the lack of inter-institutional coordination and cooperation, as well as lack of the political will, neither of these two institutions have been established.

- **Ambiguity of legal provisions regarding the registration of properties of the Municipality of Pristina versus the properties of the Capital City.** Pristina, except in the case of the “Germia” property and the property of the “IMN Kosova” factory (formerly “Cigllana”) has not made any changes to the cadastral records regarding the change in the ownership of the property from that of the municipality to that of the capital city. This is due to legal ambiguities regarding what the difference is and what should be registered as municipal property and what as property of the Capital City.

- **Inability to use the 6% grant.** With the Law on the Capital City, Pristina receives a grant of no less than 6% in order to implement the additional responsibilities vested to it by way of this Law. Due to the impossibility of fully implementing the competencies given by this Law, this grant is transferred from year to year.

- **Failure to issue relevant law enforcement acts.** The Ministry responsible for internal affairs has not yet issued a sub-legal act defining the manner in which the status of the Capital City Police Directorate will be regulated. The MLGA has not carried out such actions regarding the type of additional tax for the Capital City. These two elements have resulted in the Law being unimplemented in these two areas.

- **Lack of monitoring the implementation of the Law.** The Ministry of Local Government Administration, as the authority responsible for monitoring the functioning of municipalities, has thus far not made any specific monitoring regarding the implementation of the Law on Pristina. The monitoring was mainly carried out taking into account the competencies of the municipalities defined by the Law on Local Self-Government, but the additional competencies defined by the Law on Pristina were not monitored. The monitoring of the implementation of this law has not been carried out even by the Assembly as the highest legislative institution in the country.
INTRODUCTION

Initiatives for a law on Prishtina started back in 2009 and this effort stemmed from the constitutional right of the country which stipulates that the Capital City of Kosovo is Prishtina and its position should be regulated by law (Article 13). From that period until the middle of 2018, difficulties and uncertainties have appeared regarding the content that the Law on the Capital City of the Republic of Kosovo, Prishtina should have (hereinafter the Law on the Capital City).

Various drafts of this Law have been forwarded from year to year, some of which have even gone through parliamentary procedures with one of these drafts receiving approval in principle during a session of the Assembly of Kosovo held in July 2011; however, since then the Parliamentary Commission on Public Administration, Local Government and Media, returned this draft for procedures in the government with the reasoning that the current content of this Draft Law refers entirely to the Municipality of Prishtina and not to the Capital City.

The parliamentary commission, at the time, referring to a work of legal expertise, had recommended that the Constitution of Kosovo requires the adoption of a Law on the city of Prishtina and not on the Municipality of Prishtina and also requested additional clarifications from the executive regarding the Palace of Youth since at that time it was part of the Draft Law which determined the transfer of ownership from the management of the Privatization Agency of Kosovo to the ownership of the Municipality of Prishtina. This commission opposed the wording in the law regarding “Metropolitan Prishtina” which defined the expansion of the territory of the Municipality of Prishtina to the detriment of the municipalities of Obilic, Lipjan, Podujeva and Fushe Kosova, which was contrary to the Law on Administrative Municipal Boundaries. On the other side, this draft did not define the boundaries of the other above-mentioned municipalities, and the commission found that this wording was made without consulting and without reaching an agreement with other relevant municipalities.

From that time until the beginning of 2018, no draft of this Draft Law has been processed in the Assembly of Kosovo, thus turning this delay into a pretext for accusations and counteraccusations between political parties. In this situation, there are expectations in the public that the adoption of a Law on Prishtina would mean the solution of all the problems faced by the Capital City.
The Law on Prishtina was adopted in July 2018 by the Assembly of Kosovo. This Law consists of a total of 21 Articles. The purpose of this law is defined in the first Article, which states that this law regulates the organization and functioning of the Capital City of the Republic of Kosovo, which has a special legal status. The territory of the Capital City is the same with the territory of the municipality of Prishtina set forth in the respective Law on Administrative Municipal Boundaries (03/L-041). The Capital City is a unit of local self-government with a special status and organization, which exercises competences within its territory.

The Law on Local Self-Government also applies to the Capital City, unless stipulated by the Law on the Capital City. The Law on the Capital City gives Pristina the right to have a separate directorate for the capital city within the Kosovo Police and gives the power to provide secondary health care. In addition, the Capital City, as needed, establishes and manages local public enterprises that serve only the territory of the Capital City. The Mayor of the Capital City has two deputy mayors who assist the mayor in the exercise of his/her powers, with these deputies appointed and dismissed by the mayor. The chairperson may appoint up to five advisors. After the entry into force of this law, the movable and immovable property owned by the Municipality of Prishtina, shall be registered as ownership of the Capital City. The capital city shall be given an additional grant in the amount of not less than six percent of the total grant of municipalities, as defined in the Law on Local Government Finance, from the Kosovo budget for each fiscal year.

2.1. Subject of study

Since the DEMOS Project is a local government project and has helped the process of drafting the Law on the Capital City, in its plan for 2021 it has envisaged to conduct a study on the level of implementation of this Law. Therefore, the main objective of this research is to review and analyse the level of implementation of the Law on the Capital City, three years after its adoption.

2.2. Research methodology and objective

Quantitative methods for deriving results were used for the preparation of this report. In addition to the Law on the Capital City, the content of the Law on Local Self-Government, the Law on Local Elections, the Law on Local Government Finance, the Law on Police, the Law on Health, the Law on Public Order and Safety, the Law on Obilic, the Law on the Village of Hoqe e Madhe, the Law on the Village of Zym i Hasit, the Law on Publicly Owned Enterprises, the Regulation on the Establishment of Public/Local Enterprises, the Medium Term Budget Framework 2020-2020 of the Ministry of Finance and also analysed the budget trends at the local level from 2017 to 2021 and the Government Program of the Republic of Kosovo 2021-2025.

Qualitative methods were followed to ensure data accuracy and their confirmation. Interviews were conducted with heads of the Municipality of Prishtina, the Ministry of Health, the Ministry of Finance, the Municipality of Obilic, Kosovo Customs, the Ministry of Local Government Administration and representatives from civil society organizations. In addition to the qualitative and quantitative method followed with regard to deriving results, another method used was the method of comparing Laws, cases and municipalities as well as an analysis of status regulation in the case of other regional and European capital cities. This was done in order to make a comparison of what competencies other capital cities have compared to the Capital City of Kosovo.
3 BACKGROUND

With a territory of 572 km²² and a population of about 198,897³, Pristina is the largest municipality in the Republic of Kosovo. Its status as the Capital City of Kosovo is determined by the Constitution of the Republic of Kosovo. According to the Law on Administrative Municipal Boundaries, Pristina has 42 villages (Law No. 03/L-041). In addition to the central bodies, the functioning of the municipality also involves the functioning of local communities.

Pristina is considered the largest municipality in terms of production, construction, hotel, trade, etc. In 2020 alone, 2960 businesses were registered, whereby trade related businesses dominate (715), followed by those of professional activities (493), communication and information (349), etc.⁴. This municipality still remains the centre of diplomatic and consular services, as well as the centre of many cultural and sports activities.

Pristina, the same as other municipalities, is governed by the Law on Local Self-Government. The Municipal Assembly is the highest body of the municipality and consists of 51 members. The mayor is the highest executive body. These bodies are elected in free and direct elections. The Municipal Assembly has a mandate to adopt the statute and Rules of Procedure, municipal regulations and their adoption, amendment and abolishment, b) approval of the budget and investment plans; c) approval of other financial issues reserved for the assembly according to the statute or rules of procedure, etc. The mayor has the responsibility to a) represent the municipality and act on its behalf; b) lead the executive of the municipality and its administration and supervise the financial administration of the municipality; c) exercise all competencies which are not explicitly given to the municipal assembly or its committees; d) execute the acts of the municipal assembly, etc. The municipal administration performs the functions defined by the Law on Local Self-Government⁵, which is based on the principles of the European Charter of Local Self-Government. This law defines sole and delegated competencies.

² Municipality of Pristina. Pristina Online. The city. Source: https://prishtinaonline.com/qyteti
⁴ Ibid, p.205
Utilities are provided by local publicly owned enterprises, such as; Trafiku Urban (Urban Traffic), Public Housing Enterprise, Publicly Owned Enterprise “Hortikultura”, Municipal Publicly Owned Company “Sportmarketing”, Bus station, Prishtina Parking, Central Kitchen and “TERMOKOS”. Water and waste management services are performed by regional companies (Pastrimi and Iber Lepenc).

Secondary health services are provided by family medicine centres. Prishtina does not have a hospital of its own; however, emergency services for the citizens of Prishtina are provided by the University Clinical Centre of Kosovo. In terms of safety, apart from community safety councils, there is no special body providing safety services; however, these are supported by the Kosovo Police.

With the adoption of the Law on the Capital City, Prishtina has been given some additional competencies in order to function more efficiently as a capital city. For the implementation of these responsibilities, additional funding has been granted, respectively an additional grant of not less than 6%. However, these additional competencies have not yet been properly implemented in practice. This is in some cases manifested as a result of political shifts at the central level. On the other hand, due to the pandemic during 2020 all institutions were mobilized towards managing the situation and the implementation of these competencies was left aside.

However, even after 3 years there is no proper monitoring of the implementation of this Law. The MLGA which is responsible for monitoring municipalities, and which publishes monitoring reports, takes into account the competencies defined by the Law on Local Self-Government. Thus far there is no report or analysis regarding the implementation of the Law on the Capital City reflecting the implementation and delays in the implementation of this Law. On the other hand, the Assembly of Kosovo, as a legislative body, has not made carried out such monitoring. The Assembly Commission on Public Administration, Local Government, Media and Regional Development, which is responsible for analysing the implementation of this law, has never requested reporting from the responsible institutions with regard to the implementation of this law.

The Law on the Capital City gives the Capital City greater autonomy in terms of providing public services, safety and health; however, their implementation will be presented in the following chapter.
The Law on the Capital City of Kosovo grants special rights and responsibilities to Prishtina in comparison to other municipalities; however, most of the Articles of the Law on Prishtina provide rights that Prishtina has, as a municipality, even before the adoption of this Law.

Special rights and responsibilities consist in safety, health, entrepreneurship, property rights, financial and some administrative rights.\(^6\)

### 4.1. Symbols of the Capital City

The right of municipalities to determine the symbols of municipalities is defined by the Law on Local Self Government (Article 7), which stipulates that they can be approved or changed by 2/3 majority vote of the Municipal Assembly. Prishtina, the same as other municipalities, has approved such symbols and uses them for official needs. However, based on the Law on Prishtina, the Capital City has its own coat of arms, seal, emblem, and flag in accordance with the local self-government legislation and other relevant laws.\(^7\) After the adoption of this Law, none of these symbols have been changed or added. All symbols of Prishtina and its acts have the name of the municipality of Prishtina and not the Capital City of the Republic of Kosovo Prishtina.

The Statute of the Municipality of Prishtina was adopted in 2010 and stipulates that “The municipality is a basic territorial unit of local self-government, in which its citizens exercise self-government in accordance with the Law on Local Self-Government.”\(^8\) Competencies and responsibilities are specified in a similar manner to other municipalities. As the highest act of the Capital City, there is no provision containing the obligations arising from the Law on Prishtina. The current

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leaders of Prishtina consider the symbols finalized before the time of the adoption of the Law on the Capital City, and have not considered it reasonable and have not taken any initiative to change them, namely to use the designation Capital City of the Republic of Kosovo - Prishtina.

4.2. Public safety of the Capital City

Under the Law on Prishtina, public safety is exercised through the Police Directorate for the Capital City. This Directorate is established at the request of the Mayor of the Capital City, while the Assembly of the Capital City exercises supervision of local safety policies falling within the competence of the Capital City. The Assembly of the Capital City has the right to ask the Police Director of the Capital City to provide information on the safety situation.

Under the Law on Local Self-Government, municipalities that are inhabited by Serb majority population, within the enhanced competencies, are allowed representation in the selection of commanders of the respective police stations, according to the Law on Kosovo Police. The Law on Kosovo Police specifies that in municipalities where Serbian community is the largest ethnic community, commanders of police stations and commanders of substations shall be appointed by the Ministry of Internal Affairs, at the proposal of the Municipal Assembly and the General Director. When the position of station commander or of substation commander becomes vacant, the General Director shall send a written request to the Municipal Assembly. Along with the request, the General Director shall also submit a list of all candidates eligible for the post and shall require from the Municipal Assembly to recommend at least two candidates who meet the minimum criteria for a position from the list. Under the Law on Prishtina, the Mayor of the Capital City, after adoption by the Assembly of the Capital City, shall propose to the General Police Director at least two (2) candidates as Directors of the Police Directorate for the Capital City and one of them shall assume the position of Police Commander. This wording in the Law on the Capital City makes the competence of appointing a police commander special in two cases, as opposed to the practice followed in the cases of municipalities with a Serb majority population. First: the names for the police commander are proposed by the Capital City and not by the police directorate, and the police directorate cannot reject both proposed names, but must decide on one of the two names that the Capital City proposes.

The Law does not specify what rights, responsibilities or powers the special Police Directorate for the Capital City shall have. It also does not specify by whom this directorate shall receive instructions for field work (Heads of Prishtina or Heads of the General Police Directorate) and at the same time the form of recruitment of police officers who will serve the Capital City is not known. Furthermore, the Law on Prishtina does not specify the mandate of the Commander (his/her duration) and does not disclose how he/she will be evaluated or dismissed, in case of non-fulfilment of duties. Technical issues also have legal gaps, whether the police destined for the affairs of the Capital City should have the same vehicles, uniforms and equipment as the regular police, or have different ones.

9 Interview with the Deputy Mayor of Prishtina Muhedin Nushi.
14 Interview with Shkelqim Jakupi, Director of the Legal Department at the Ministry of Local Government Administration.
16 Interview with Shkelqim Jakupi, Director of the Legal Department at the Ministry of Local Government Administration.
The Law on the Capital City has foreseen the field of security that this directorate will have. This field goes beyond the function and nature of local government because security issues are related to cases of murder, theft, robbery, threats, violence in various forms and so on. The Law on Kosovo Police specifies that each municipality of Kosovo must establish a Municipal Council for Community Safety. The purpose of the Safety Council is to develop awareness related to the nature of crime, disorder and violent behaviour in the local community, to identify concerns regarding public safety and to recommend action plans to address these concerns through cooperative efforts of municipal authorities, local communities and the Police. The case of Albania shows that the municipal police in Tirana has a mandate for public order, but not for public safety.

The Ministry of Internal Affairs (MIA), as the authority responsible for public safety, has not taken any initiative to issue any legal act that would define the procedures for the establishment and functioning of a special directorate within the Kosovo Police for the Capital City, while, at present, there is no plan as to when such an act might be initiated. The Municipality of Prishtina has addressed three requests to the MIA for the drafting of such an act, but in no case has it received a response to the letters/requests addressed.

Currently, the Kosovo Police assists the Municipality of Prishtina in some actions, but this is considered insufficient and not entirely appropriate, because for any assistance that Prishtina needs from the Police, the latter must be notified 72 hours in advance and also, in some cases, the Municipality of Prishtina pays police officers for their overtime work when engaging for the demands of the Capital City. The annual budget of the Municipality of Prishtina provides about 1 million euros for the needs of the establishment and functioning of the special Directorate of Kosovo Police that will serve the Capital City. This budget is carried over from year to year. The lack of special police for the Capital City is currently making the issue of arranging public spaces for parking, the continuous circulation of illegal taxis, the unauthorized use of public spaces by street vendors, the utilization of public assets as well as the impunity of persons for damages to public assets, not entirely efficient.

4.3. Secondary health care services

Kosovo has currently six general hospitals where 30 municipalities of Kosovo gravitate, but only the region of Prishtina does not have one, while secondary health services for the citizens of Prishtina are provided by the University Clinical Centre of Kosovo, which is overburdened in providing services to the citizens of other municipalities. This is due to the fact that citizens often believe that UCCK offers better services, but in most cases, even other hospitals refer patients to UCCK as urgent cases and for better treatment. The Law on the Capital City provides that Prishtina may provide secondary health services and establish a general hospital, which would be under the management of the Capital City.
Regarding the construction of the Prishtina hospital, some initiatives undertaken have not been materialized. In September 2019, the Minister of Public Administration, Mahir Yagcilar, in coordination and presence of the former Minister of Health, Uran Ismaili, and the representative of the ICME Company, have signed an agreement for the initiation of the Feasibility Study for the Hospital of Prishtina. The feasibility was intended as a first step, to then proceed with the development of the project and the construction of the hospital. Previously, on April 4, 2019, the Minister of Health, Uran Ismaili, together with the Minister of Public Administration, Mahir Yagcilar, had signed a Memorandum of Understanding for the initiation of construction of the Prishtina Hospital, which set out the institutional obligations for a fast and efficient implementation of the project.25

The project, according to the Memorandum, would be implemented in four phases: 1. Conducting the Needs Study and Capacity Assessment; 2. Establishment of the General Hospital of the Capital City, as defined by the Law on the Capital City; 3. Drafting of a detailed construction project based on the Study; 4. Construction of the facility based on the detailed project as well as professional supervision of the construction phase. The Ministry of Public Administration has allocated 500 thousand euros for the feasibility study. However, at that time it was foreseen that the cost and capacity of the hospital would be determined by the feasibility study that would be led by the Ministry of Public Administration. In 2020, the projected budget amount has been reallocated to other projects.26

Minister Yagcilar and Minister Ismaili had stated at the time that this project would be finalized within 5 months. In the foreseen period, the Haradinaj Government has fallen, which after the elections of 6 October 2019 handed over the mandate to the Government Kurti 1, which after receiving the mandate, has faced the COVID-19 pandemic. Due to the public health emergency brought by COVID-19, this project and these initiatives so far (May 2021) have not made any new progress.27 However, even in the program of Government Kurti II (2021 – 2025), no steps or actions are foreseen in the construction of this hospital.28

On the other hand, the Municipality of Prishtina has not yet planned the location for the construction of this hospital, it has not been included in the 2021 budget and, in addition, there is still no initiative to assess the potential of human resources that need to be in place in order to maintain primary health care, but also to develop secondary health care.29

Under the Law on Local Self-Government, the municipalities of North Mitrovica, Gracanica and Strpce shall have the competencies for provision of secondary health care, including registration and licensing of health care institutions, recruitment, payment of salaries and training of secondary health care personnel.30 The competence given to Prishtina, under the Law on the Capital City, in addition to the right to have secondary health care, does not include the responsibility of licensing and does not mention the field of salaries and that of training. According to the Law on Health of Kosovo, municipalities (excluding North Mitrovica, Gracanica and Strpce) are not

26 Ibid
eligible to license health care services. All health care institutions can begin work after being licensed by the Ministry or by a body authorized by it, and this is carried out by defining the specific working conditions regarding space, professional staff and medical equipment.31

4.4. Public services

The Law on Publicly Owned Enterprises of Kosovo stipulates that any new publicly owned enterprise with a national, regional or local scope can be established only if approved in advance by the government.32 The Government of Kosovo in 2013 adopted a regulation on the criteria for the establishment of local publicly owned enterprises, but even in this regulation, the right to review/reject or approve the requirements for the establishment of a publicly owned/local enterprise falls on the government. Municipalities shall submit to the POEPMU (Publicly Owned Enterprises Policy and Monitoring Unit within the Ministry of Economy) requests for the establishment of local publicly owned enterprises. Upon review of municipalities’ requests, the POEPMU forwards them to the Ministerial Committee on Publicly Owned Enterprises. If the Ministerial Committee concludes that the criteria are met, it shall send the request for approval to the Government of Kosovo.33

The Law on the Capital City defines the right to establish and manage local publicly owned enterprises serving only in the territory of the Capital City. The establishment of a new local publicly owned enterprise in the Capital City is done upon proposal of the Mayor of the Capital City, accompanied by a business plan and financial analysis and is adopted by 2/3 of the votes of the members of the Assembly of the Capital City. Unlike the procedures set out in the Law on Publicly Owned Enterprise and its bylaws, the procedures on the establishment of a local publicly owned enterprise in the Capital do not require consent of the Government.34

So far, the establishment of the publicly owned/local enterprise “Central Kitchen” and the functioning of the publicly owned/local enterprise “Prishtina Parking” was carried out. Both of these enterprises aim to provide services to the citizens of the Capital City. The local publicly owned enterprise “Central Kitchen” was established in June 2019 with the aim of providing food for kindergartens in the Capital City, while in another phase it was planned to prepare food for lower secondary school students. The publicly owned enterprise “Prishtina Parking” has started managing public spaces intended for parking and has determined the fee for parking vehicles. The funds from the parking fees are own revenues of the Capital City and are managed according to the Law on Local Government Finance.

4.5. Property of the Capital City

Property issues are another competence defined by the Law on the Capital City. The Law states that movable and immovable property that are in the ownership of the Municipality of Pristina, with the entry into force of this Law, shall be registered in the ownership of the Capital City. There are five types of properties in the municipality: private property, municipal property, public property (managed by publicly owned enterprises: KEK, PTK), socially owned property (managed by the Privatization Agency of Kosovo) and property registered in the name of regional companies (water supply). The municipality exclusively manages municipal property only. The Law on Allocation for Use and Exchange of Municipal Immovable Property stipulates that immovable property of the municipality means immovable property registered on behalf of the municipality in the official cadastral register.

The provisions of this law have been applied in the case of the former department store “Germia” which is now registered as the property of the Capital city and also the space in and around the factory “IMN Kosova”, once known as “Cigllana” has passed into ownership of the Capital city.

The Law on the Capital city also states that the competent cadastral bodies correct the cadastral and property data ex officio to transfer ownership from the Municipality of Pristina on behalf of the Capital city. However, there is a legal ambiguity as to where the difference is in this case between the former municipal property and the property provided by law as property of the capital city. This has led to no correction in the cadastral data regarding the owner of the municipal property.

4.6. Deputy Mayors of Capital City and support staff

Unlike other municipalities, which according to the Law on Local Self-Government have the right to have a deputy mayor, with the Law on the Capital City Pristina may have two deputy mayors appointed by the Mayor. With the entry into force of this Law, the Mayor of Pristina has appointed one deputy mayor.

The Mayor may also appoint up to five advisors, who advise him/her in the exercise of his/her duties and responsibilities, who are appointed and dismissed by the Mayor. The Law on Capital City has also regulated the staff positions in the Cabinet of the Mayor. The Mayor’s administrative staff includes: Chief of Cabinet, Administrative Assistant and Logistics Officer. The employees in the mayor’s office are not civil servants and their mandate ends with the end of the mandate of the mayor. On this legal basis, the Mayor of Pristina has appointed three councillors who assist/advise the Mayor on public policy at the local level.

37 Interview with the Deputy Mayor of Pristina Muhedin Nushi.
39 Interview with the Deputy Mayor of Pristina Muhedin Nushi.
42 Interview with Avni Zuka. Chief of Staff in the Municipality of Pristina.
4.7. Additional taxes

Another stalemate arising from the Law on Prishtina has to do with Article 19 point 8, which states that Prishtina imposes additional taxes on the capital city. This stagnation is also manifested in ambiguity because the Law does not specify which taxes are in question and also the authorities are not clear whether the Ministry of Local Government Administration or the Municipality of Prishtina should issue a sub-legal act that would specify the details of this right of the Capital City.43

4.8. Service of the Assembly of the Capital City

The Law on Capital City in Articles 11 and 12 talks about the organization and functions of the Municipal Assembly of the Capital. The content of these articles is also defined in the Law on Local Self-Government, respectively Articles 35, 36, 39, 40 and Article 51, which fully regulate the organization, scope and mandate of Municipal Assemblies. Unlike the Law on Local Self-Government, the Law on Capital City of the Municipal Assembly stipulates that the Assembly of Capital City has the professional service with the status of civil servant which consists of the head of the service of the Assembly, the legal officer and the minute keeper. The structure of work and employees in the Municipal Assembly of Prishtina has not changed compared to the first period and after the adoption of the Law on Prishtina. The structure of the employees of the Municipal Assembly of Prishtina is regulated at the sector level (Assembly sector) the sector is an integral part of the General Directorate of Administration. This sector consists of seven employees holding positions as senior Assembly official, clerk, coordinator, assistant and translator/interpreter.44 After the adoption of the Law on Capital City, the positions and number of employees in the Municipal Assembly of Prishtina has not changed.45

4.9. Deconcentration of administrative services

The Law on Capital City has defined the right of Prishtina that administrative services can be transferred as services to local communities (Article 16, paragraph 3). The deconcentration of administrative services at the local level in Prishtina started in 2014 and was completed in the second half of 2016, two years before the Law on Prishtina received approval in the Assembly of Kosovo.46 Prishtina is currently divided into 33 local communities, 14 are located in urban areas of the city, whereas 19 in rural areas.47 In 2016 in these local communities was transferred the right to issue per pair 13 different types of documents which before this year could only be withdrawn from the counters of the main municipal building. The documents issued in these local communities are the following: Certificate of identity card for foreign nationals (for temporary identity card), passport certificate, certificate of residence and place of stay, certificate of social

43 Interview with the Deputy Mayor of Prishtina Muhedin Nushi.
44 Interview with Avni Zuka, Head of Personnel at Municipality of Prishtina
45 Ibid.
46 Interview with the Deputy Mayor of Prishtina Muhedin Nushi
assistance, certificate of enrolment in school and kindergarten, certificate of visa application, certificate for travel, certificate of pension, certificate of vehicle registration, certificate of marriage, certificate of change of residence, certificate of citizenship and certificate of family support for foreign nationals.\textsuperscript{48} After the approval of the Law on Prishtina, there is no other competence which has been transferred to local communities.

\textbf{4.10. Financing of the Capital City}

In terms of funding, Prishtina has received additional grants, in addition to regular grants allocated to municipalities. The capital city is given a special grant in the amount of not less than six percent of the total municipal grant, defined in the Law on Local Government Finance, for each fiscal year. This allocation takes as reference only the value of the general grant of the municipalities and is not received from this grant, but is specifically allocated from the central budget. The special grant for the Capital city is transferred to the general grant and all expenses are made from this budget line.

Expenditures for the performance of additional competencies of the capital city provided by the Law on the Capital city are foreseen in the regular budget allocations determined by the central budget. Secondary health care is treated within the health grant is not covered by the additional grant for the Capital city. The Ministry of Finance since 2019 in the budget presented to the Assembly of Kosovo has provided the grant included in the Law on Capital city.\textsuperscript{49} The Capital city is obliged to submit the planning for the grant to the Capital city for additional competencies each fiscal year according to the deadlines set by the Ministry of Finance.\textsuperscript{50} On the other hand, Prishtina annually submits to the Ministry of Finance the report regarding the allocations of funds that it will receive from the Law on Capital City.\textsuperscript{51} The Law on Capital city gives Pristina a considerable budget amount on an annual basis and the purpose of this grant is specified in the law to cover the needs of the capital city in law enforcement, but also in increasing the efficiency of public services.

In Kosovo, it is not only Prishtina that has separate budget revenues, outside the grants provided for each municipality. There are four municipalities in the north of Kosovo (Leposavic, Zubin Potok, Zvecan and North Mitrovica) that enjoy special revenues through customs clearance of goods in points 1 and 31 (Bmjak and Jarinje) and revenues from these goods are intended as direct revenues for the northern municipalities, otherwise known as the fund for the north.\textsuperscript{52} During 2020, goods worth 800 thousand euros were cleared from these points.\textsuperscript{53}

The municipality of Obilic also has special budget revenues, and a special law was adopted for this municipality in December 2016. This municipality (Obilic) also with the approved law precisely defines the area that is considered endangered by pollution and also provides that

\textsuperscript{51} Interview with the Deputy Mayor of Prishtina Muheedin Nushi.
\textsuperscript{52} National Audit Office. Implementation of the recommendations of the report “Development Fund” and the effects of the fund. Pages 1 and 5. 2017. Source:https://bit.ly/3nME5N8
\textsuperscript{53} Kosovo Customs. Request for access to public data. Adriatic Stables. Date 26.04.2021
this area has cheaper electricity tariffs, favourable access to employment in power plants, gains access to steam power plants for connection to the cogeneration (heating) system and also the collection of mineral royalties by the relevant institution, 20% of the value of this royalty is reallocated from the central budget to the municipal budget of the Municipality. During 2018 onwards. During 2018 onwards, the Municipality of Obilic has benefited from mineral rents up to 5 million euros per year. From the point of view of local government in Kosovo, it is not only Prishtina that benefits from special budget revenues, is also Obilic (from mineral royalties of power plants) Prizren (for the historical area of the city) Rahovec (from the Law on the village of Hoçe e Madhe) and Dragas (from the area of Zym i Hasit)

According to the formula for allocating grants to local government units in Kosovo, Prizren, Rahovec and Dragas receive an additional amount of funds from the central budget, Prizren because of the historic centre, Rahovec because of the village of Hoçe and Dragas because of the Zym region. For the historic area of Prizren there is a special law adopted in July 2012. Also for the village of Hoçe e Madhe and Zym i Hasit.

Annual budget of Prishtina municipality, before and after the approval of the Law on Capital City

<table>
<thead>
<tr>
<th>Year</th>
<th>Budget (€)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>72,521,256</td>
</tr>
<tr>
<td>2019</td>
<td>87,693,236</td>
</tr>
<tr>
<td>2020</td>
<td>85,523,526</td>
</tr>
<tr>
<td>2021</td>
<td>91,236,587</td>
</tr>
</tbody>
</table>

55 Interview with Abdurrahman Krasniqi, Chief of Cabinet of the Mayor of Obilic.
Capital City budget in % based on categories (2021)

- General grant 25%
- Specific grant for education 22%
- Specific grant for health 8%
- Own revenues 32%
- Revenues from the Law on Capital City 13%

Source: Municipality of Prishtina (Medium Term Expenditure Framework 2020 -2022)

Capital City budget based on amounts by categories (2021)

- General grant €23,090,533
- Specific grant for education €7,527,953
- Specific grant for health €12,430,096
- Own revenues €19,925,555
- Revenues from the Law on Capital City €28,258,367

Source: Municipality of Prishtina (Medium Term Expenditure Framework 2020 -2022)
<table>
<thead>
<tr>
<th>Article</th>
<th>Content</th>
<th>It is fulfilled</th>
<th>Not fulfilled</th>
<th>Partially fulfilled</th>
</tr>
</thead>
<tbody>
<tr>
<td>Article 6</td>
<td>The capital city has its own coat of arms, seal, emblem and flag</td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Article 7</td>
<td>The Police establishes the Police Directorate for the Capital City</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Article 7</td>
<td>The capital city has competencies for secondary health care</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Article 7</td>
<td>The Capital city establishes the General Hospital of the Capital City</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Article 7</td>
<td>The capital city establishes and manages local public enterprises</td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Article 13</td>
<td>The Assembly of the Capital City has the professional service with the status of civil servant which consists of the head of the service of the Assembly, the legal officer and the minute keeper</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Article 15</td>
<td>The Mayor of the Capital City has two (2) deputy mayors</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Article 15</td>
<td>The Mayor's administrative staff includes: Chief of Cabinet, Administrative Assistant and the logistics officer.</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Article 16</td>
<td>The capital city deconcentrated administrative services</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Article 18</td>
<td>Movable and immovable property owned by the Municipality of Pristina is registered in the ownership of the Capital city.</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Article 18</td>
<td>The competent cadastral bodies correct the cadastral and property data to transfer ownership from the Municipality of Pristina on behalf of the Capital city.</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Article 18</td>
<td>The capital city has the right to enter into agreements with the Government on property matters</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Article 19</td>
<td>The capital city of Kosovo is given an additional grant in the amount of not less than six percent (6%) of the total grant of municipalities</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Article 19</td>
<td>Expenditures for the performance of additional competencies of the capital city provided by this law are provided in the regular budget allocations determined by the central budget.</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Article 19</td>
<td>The Capital city is obliged to submit the planning for the grant to the Capital city for additional competencies every fiscal year</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Article 19</td>
<td>The capital city imposes additional taxes on the capital city</td>
<td></td>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>
In particular, the organization and functioning of capital cities in most countries is regulated based on state levels of government. In larger countries, as is the case with Germany\textsuperscript{58} and Austria\textsuperscript{59} as federal states, capital cities also constitute a province where the city/province organization has different organizational structures, whereas municipal competencies are fully decentralized. In some other countries, the regional division of the country creates opportunities to create different structures for coordinating and creating policies for local governments, as in the case of Croatia\textsuperscript{60}.

The following will present the regulation of the status of Bratislava, Skopje and Tirana, in order to reflect how their regulation was done, what are the competencies, financing and administrative division of these cities.

\subsection*{5.1. The city of Bratislava}

The National Assembly of Slovakia has adopted the Act for the capital city of Slovakia, Bratislava, which defines a more special status among other cities in the country. At the municipal level, Bratislava is governed by the directly elected mayor and the City Council, which is the representative body. Bratislava has a dual structure of bodies, those at the city level and sub-municipal


\textsuperscript{59} Information can be found at: https://www.wien.gv.at/ (Accessed: June 20, 2021)

\textsuperscript{60} Law of the Republic of Croatia on the City of Zagreb. Source: https://www.legislationline.org/documents/id/5864 (Accessed on: June 20, 2021)
bodies of 17 districts. Each district functions as a city and mainly follows the legal provisions for other Slovak cities. City-level representatives decide on the most important issues concerning the city as a whole.

The City Council decides on all issues related to competencies at the city level, such as: economic, cultural and social planning, urban public transport, construction and maintenance of local roads, water supply and sewerage, collection, transportation and disposal of waste, as well as street lighting. The state may delegate other competencies for which funds are initially allocated. The City Council approves the city budget and determines all the conditions of local taxes within its competences.

The city of Bratislava is divided into 17 districts. At the district level, the chief executive is the mayor of the city district. The number of district councillors varies from district to district, whereas the current policy is for their number to be gradually reduced. The district councillors are elected by all the residents, whose main residence is in the district, for a term of four years. The district councils perform their duties according to common rules in relation to the city council of cities in Slovakia. Elections for district institutions are usually held at the same time as elections for city institutions. During these elections, the district mayor is elected. The executive body of the district mayor and the local representative body (District Council). The District Council decides independently on the most important issues at the district level, including the budget and local tax conditions within the district. The Bratislava Statute stipulates that district councils perform the following duties: district budget management, district estate and real estate management, local tax management within the district jurisdiction, maintenance and construction of premises, roads and management and maintenance of local historical monuments. The competencies delegated by the state for which the districts receive state funds are added to the original competencies. Competencies delegated by the state include social assistance, care for sick and disabled people, and management of fishing and hunting licenses. Each district has its own taxes and determines the tax rate.

5.2. City of Skopje

The City of Skopje is a unique case in the local government of North Macedonia where local responsibilities are strictly distributed between the authorities of the City of Skopje, as a community of ten municipalities and the authorities of these ten municipalities. The City of Skopje, in the areas within its competence, approves and envisages the implementation of unique regulations, ensures the same level of services and equal access for the citizens, applying the same standards. The City of Skopje, within the law, in accordance with the principle of subsidiarity, has the right to carry out in its territory works of public interest relevant to the City of Skopje, which are not excluded from its competence, or are not within the competences of state authorities.

The bodies of the City of Skopje and the municipalities in the City of Skopje are the Council and the Mayor. The City Council of Skopje is a representative body of citizens that has the power to make decisions within the competence of the City of Skopje. The City Council of Skopje consists of 45 members elected in general, direct and free elections. The Mayor is the representative and
executive body in the local government unit. In carrying out the work within the competences of the City and the municipalities in the City of Skopje, the councils and the mayors establish mutual cooperation, especially through: exchange of materials within their competence for mutual information or giving consent, holding joint hearings to investigate matters within their competence and of common interest, initiating acts and measures to regulate matters of interest to the City, etc.

The City of Skopje and the municipalities in the City of Skopje are financed from sources of own source revenues, revenues from taxes, revenues from the state budget, revenues from interest on debts in accordance with the law and other revenues defined by law. Due to the provision of equal conditions for the financing of the municipalities in the city of Skopje and for the satisfaction of the common needs of the citizens in the city of Skopje, there is a joint fund of the City of Skopje and the municipalities in the city of Skopje, which is formed from personal income tax means, municipal taxes for firms and municipal taxes for the use of roads with vehicles, means of transport and vehicles with trailers and other means. The City of Skopje and the municipalities on the territory of the City of Skopje realize the income within the Joint Fund in accordance to the methodology for allocation of funds from the Joint Fund approved by the Ministry of Finance. The City of Skopje is allowed to set a higher rate of property tax (0.05%) above the level set by law, a higher rate of real estate turnover tax from the lowest rate of real estate turnover tax, defined by law, up to a maximum of (1%), etc.61.

5.3. Municipality of Tirana

The Municipality of Tirana represents an administrative-territorial unit and a community of inhabitants with a special status. The bodies of the Municipality of Tirana are as follows: a) The Municipal Council as a representative body of the Municipality. b) The Mayor as the executive body of the Municipality. The City Council and the Mayor are directly elected by the people by direct elections.

The Municipal Council and the Mayor enjoy the rights, perform functions and exercise the responsibilities defined for the municipalities in the law “on the organization and functioning of local government”. In the Municipality of Tirana, there are 11 municipal units of local government, which have the defined status. In the municipal unit, the representative bodies are: a) the council of the municipal unit as a representative body of the municipal unit, b) the mayor as the executive body of the municipal unit. The bodies of the municipal unit are elected through direct elections. The number of members of the council of the municipal unit is determined by Prefect depending on the number of inhabitants, based on the data of the relevant civil status offices (up to 30,000 inhabitants 19 members, from 30,000 to 50,000 inhabitants 23 members, and over 50,000 inhabitants 27 members)

The municipal unit approves, implements, and administers its budget in accordance with the legislation in force. The budget of the municipal unit is created from its own revenues and from the part that is financed from the budget of the Municipality of Tirana, according to the definition

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made by the Municipal Council. Its revenues are provided from the service fees performed by the unit for the functions it has, according to the levels determined by the Municipal Council of Tirana, from gifts, aids, fines and others, defined in the relevant law. The conditional funds from the Municipality are allocated to the municipal units in accordance with the functions, rights and duties given to the municipal unit, as well as for the fulfilment of the functions and responsibilities delegated by the Municipal Council.

The council of the municipal unit organizes the internal financial control. Each municipal unit is subject to the control of the Municipality of Tirana and external financial control, according to the rules established by law. The Council of the municipal unit has the following rights and duties: a) approves the internal regulation of its functioning, b) elects and dismisses the chairman and deputy chairman of the council, c) appoints and dismisses the secretary of the council, d) approves the budget of the municipal unit and its amendments, etc.

The mayor of the municipal unit has the following duties and responsibilities: a) implements the acts of the council of the municipal unit, b) takes measures for the preparation of the council meeting in accordance with the agenda set by the council, as well as for problems that he himself requests, c) reports to the council on the economic and financial situation whenever requested by the council, but not less than once in 6 months, d) reports to the council whenever requested by it for problems related to the competencies and tasks of the unit, e) appoints and discharges the vice mayor of the municipal unit, f) appoints and discharges the staff of its administration, unless otherwise provided by law, g) exercises the rights and assures the fulfilment of all obligations that are charged to the municipal unit, etc.62

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CONCLUSIONS AND RECOMMENDATIONS

Three years after the adoption of the Law on the Capital City, Prishtina continues to face various problems. Even some competencies or rights that this Law has provided for Prishtina, continue to be stuck in implementation. The capital city continues to lack a special police directorate, although it is envisaged by the law. Also, the actions in concretizing the initiatives for Prishtina to become a special municipal hospital have stalled and there is no planning when the works for the construction of this hospital in Prishtina will start.

The current content of the Law on the Capital City does not make Prishtina a ‘special unit’ of local government in Kosovo. There are some special competencies (such as the special police directorate for the capital city, the right to establish local public enterprises, the appointment of an additional deputy mayor, the appointment of positions in the mayor’s office, additional taxes for the capital city).

The Law on the Capital City in many Articles repeats the rights that the Municipality of Prishtina had with the Law on Local Self-Government, or in other sectoral laws. The Law on the Capital City speaks for the Assembly of the Capital City, for the Mayor of the Capital City, for the obligatory committees, for the relations with the central level, which have been regulated and specified in the past with other Laws in the field of local government.

Some Articles of this Law have not been fully clarified and this has created confusion, difficulties but also ambiguity. The Article which requires the property of the Municipality of Prishtina to be returned and registered as the property of the capital city belongs to this nature. Also, the request of the Law for Prishtina to have its coat of arms, seal and flag, as well as the possibility provided by the Law for the deployment of some services of the administration of Local Communities is considered late and unnecessary.
Based on these and other findings of this research and study, the following is recommended:

For the Committee on Public Administration, Local Government, Media and Regional Development:

- The Committee should convene a public hearing of the Mayor of Prishtina to find out the details of the implementation and non-implementation of the Law on Prishtina. The findings of this discussion should be published and sent to the deputies of the Assembly of Kosovo.
- The Committee on Public Administration, Local Government, Media and Regional Development should include on an annual basis a visit to the Municipality of Prishtina to see closely the implementation of the Law on the Capital City and the legal needs for amendment that arise in this regard.

For the Ministry of Local Government:

- MLGA should include in the annual report “Functioning of Municipalities of the Republic of Kosovo” a separate section for Pristina focusing on the rights arising from the Law on the Capital City. The Ministry of Local Government should post on its website the Law on the Capital City, thus symbolizing the importance of this Law in the general system of local government in Kosovo.
- MLGA should also consider how to apply the additional task and issue additional instructions for applying this task.

For the Ministry of Internal Affairs:

- This Ministry should form a working group consisting of officials of the Municipality of Prishtina, officials of the Ministry of Local Government, leaders of the General Directorate of Police and representatives of civil society to discuss and harmonize the modalities of drafting the administrative instruction that envisages the functioning of the police sector for the Capital City.
- The Ministry of Internal Affairs should include in its legislative agenda the finalization of the administrative instruction on the functioning of the police sector for the Capital City.

For the Ministry of Health:

- The Ministry of Health should include in its budget the cost of participation to enable and assist Prishtina in the functioning of the secondary health service.

For the Municipality of Prishtina:

- The Municipality of Prishtina must designate and approve the location for the construction of the hospital in the capital city.
- The Municipality of Prishtina should initiate and finalize the study related to the restructuring of the health system in the Capital City, including the provision of secondary health care as provided by the Law on the Capital City.
- The Municipality of Prishtina should include in the budget the necessary annual amount for the construction/functioning of the hospital in the Capital City.
● The Municipality of Prishtina should publish a special report on annual basis showing the projects financed by revenues provided by the Law on the Capital City.

● The Municipality of Prishtina, within 2021, should finalize a study on which cases/areas the Police of Capital City can be engaged in.

REFERENCES

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● Interview with Abdurrahman Krasniqi, Chief of Cabinet of the Mayor of Obilic.

● Interview with Avni Zuka, Chief of Staff in the Municipality of Prishtina.

● Interview with the Deputy Mayor of Prishtina, Muhe din Nushi.

● Interview with Sadri Rrmoku, Program Coordinator at the Kosovo Institute for Local Government.

● Interview with Shkelqim Jakupi, Director of the Legal Department at the Ministry of Local Government.

● Interview with Sadri Rrmoku, project coordinator at the Kosovo Institute for Local Government.


• Municipal Police. Law no. 8224 dated 15.05.1997 “on the municipal police in Albania”. Source: https://bit.ly/2RLx0Rr


ON THE CAPITAL CITY OF THE REPUBLIC OF KOSOVO, PRISTINA, THREE YEARS AFTER ADOPTION

Level of implementation and effects achieved