

**Thierry Bernard Guele, Head of Centre Pristina
European Agency for Reconstruction**

Interview with **Thierry Bernard Guele**,
Head of the Agency's Operational Centre in
Pristina

Medium: Daily newspaper "Kosova Sot"
Published 18 July 2005

1. EAR has helped Kosovo a lot by investing in many projects. Could you mention the assistance EAR provided to Kosovo, especially in the period after the war?

The Agency had its roots in the aftermath of the Kosovo war. In early 2000, it took over from the European Commission Task Force for the Reconstruction of Kosovo, a temporary emergency assistance body set up in the summer of 1999.

The European Agency for Reconstruction Operational Centre in Pristina is managing most of the funds of the European Commission assistance programme for Kosovo.

When the Agency started five years ago the focus of the work was on much needed physical reconstruction of Kosovo's infrastructure ruined by years of neglect and the damage caused during the conflict. Thus, we started with reconstruction of damaged houses and managed to provide housing to 120,000 vulnerable people, replaced 35km of pipes and modernised over a dozen pumping stations to improve the water supply in Pristina and Mitrovica. We repaired over 400 kilometres of roads and 16 bridges, purchased 3400 bins and 38 collection trucks, uniforms and other necessary equipment for waste utilities companies, upgraded 20 old dumpsites and gradually replacing with new 7 regional modern sanitary landfills.

Energy supply was another area that needed urgent help with spare parts, fuels, chemicals and other consumables for Kosovo A and B Power Plants, coalmines and Kosovomont workshop. EC funded the overhaul of Kosovo B power, including the repair of the fire damaged generating units B1 and B2, construction of Pristina 5 substation and Podujevo substation, and refurbishment of the district heating systems in Pristina, Gjakova and Mitrovica.

It can be said that the work done so far in improving Kosovo's infrastructure has already brought huge improvement in the daily lives of the people here but needless to say there is still much need for important infrastructure works to be done in Kosovo municipalities.

2. After the emergency period, has EAR continued to assist Kosovo and in what areas?

The total European Commission assistance for Kosovo since 1999 is over €1 billion in different projects and programmes across Kosovo. As mentioned above, EAR initially focused its assistance on the rehabilitation and repair of key infrastructure and public utilities. Following years the emphasis gradually shifted to institutional capacity building, and development of market economy, public administration reform at central and municipal levels as well as support to the police and judiciary.

3. EAR has also helped institution building, providing funds for the rehabilitation of government facilities and ministries. How much is the assistance of EAR in this aspect?

Following the establishment of the Provisional Institutions of Self Government, the Agency started introducing programmes targeting the different Ministries on the capacity building of the civil servants, implementing of reforms, policy development, EU compatible legislation, and the

development of new PISG structures. For instance, the Agency managed a training project within the office of the Prime Minister to develop its ability to determine new legislation, and we have since run similar projects in all of Kosovo's ministries.

We also helped establish the Kosovo Institute for Public Administration to train future civil servants and assisted the Assembly of Kosovo to effectively process legislation, through the installation of equipment for Document Management System and fixing of electronic voting system, audio, video broadcasting and interpretation system.

As result of a legal aid system established with EC assistance, over 26,000 vulnerable people have benefited from free legal services in civil and administrative matters.

As a way of boosting health care delivery in Kosovo the EU has set up a project, managed by the European Agency for Reconstruction, to develop a 3-year university degree course in nursing and midwifery at Kosovo's University of Pristina. The students who complete the first three-year course will get the Bachelor in Nursing or Midwifery degrees, that is an internationally recognised certificate. The refurbishment of the Nursery Department building was also EC funded project, as is the general refurbishment of dormitories at the University Pristina Students Centre, including internal water and heating system for the centre.

To facilitate the administrative work and for delivering smooth and efficient services to the citizens, we refurbished the town halls of Viti, Fushe Kosove/Kosovo Polje, Lipjan/Lipjane, Obilic, Malisheve/Malisevo, Rahovec/Orahovac, Dragash/Dragas, Glllogovc/Glllogovac, Suhareke/Suvareka, Skenderaj, Decan, Vushtrri/Vucitrn, Peja/Pec, Shterpce/Strpce, Gracanica, Zvecan/Zvecane.

For the refurbishment of former Bankkos building we have provided €6.5 million, where soon will be the new Kosovo Government offices.

4. EAR has helped with funding many infrastructure projects in Kosovo municipalities. Which projects and what areas were assisted more? How much funds were allocated for infrastructure?

Beside the above mentioned refurbishment of town halls buildings, there are other works done to improve the local infrastructure including water and sewerage projects, and the construction of important local roads. €15 million municipal local infrastructure fund combined capital investment with technical advice, in total, the fund financed 136 projects in all 30 municipalities and helped municipalities learn to manage and implement infrastructure projects.

Over the next 12 months, we plan to spend €17 million project to improve the social and economic infrastructure of municipalities across Kosovo.

Eight of them have already been selected. They have been chosen because they are working hard to meet the standards. The projects include a water supply system for the towns of Klina and Novo Berdo, a sewage system in Istog/IStok, as well as construction of schools in Fushe Kosove/Kosovo Polje, Kamenica, and Podujeva/Podujevo. A separate road project will benefit a significant minority population in Skenderaj and Obilic.

We have chosen these towns jointly with the Kosovo government, the Association of Kosovo Municipalities and the United Nations Mission. The work on the projects is expected to start this year.

5. EAR has helped the development of municipal administration in municipalities and the Association of Kosovo Municipalities. What was the assistance of EAR in this aspect? (How much funds)

The impact of the project for the 50 local government experts from EU member states to be seconded to municipal government offices across Kosovo, aiming to improve public management was significant when the preparation process for more competencies to local government was underway. In 1999/2000 in Vushtrri/Vucitrn, international staff managed finances and procurement. Thanks to EU support, soon thereafter local administrative staff could authorise and commit expenditure, maintain financial records, and procure goods and

services for all departments

We helped the Association of Kosovo Municipalities to strengthen its institutional capacity and recently we concluded the first phase of our support to this association. Nine municipal policy statements, developed as part of the programme, set the agenda for local government development in Kosovo and are being taken up by the newly created Ministry of Local Government and by international agencies. Guidelines on European local government practice have been issued to municipalities.

We are working with the municipalities to improve essential infrastructure and assist local government to achieve progress towards 'Standards for Kosovo'.

6. In 2004 EAR has funded many projects, how much was the total amount and which were the projects?

The total amount that the European Commission allocated for the 2004 programme for Kosovo was €73 million, funds that are managed by the Agency. There are many that have started in 2004 and I will mention few of them. As the prospect of European integration has been at the centre of Commission policy both towards Kosovo and towards the Western Balkans as a whole under the Stabilisation and Association Process one of the Agency projects was to strengthen the PISG's institutional capacity and the Office of the Prime Minister in particular, to effectively participate in the Stabilisation and Association process through strengthening the capacity of Kosovo's public administration to adopt and implement, laws and policies compatible with the *acquis communautaire*. The programme will also benefit the implementation process of the 'Standards' and its linkage to the STM within UNMIK-PISG.

Another import project was help provided to the Ministry of Finance and Economy, line ministries, and municipalities to put in place a coherent and prioritised Public Investment Programme process that is fully integrated into the MFE budgetary processes and Government Strategy. Also, we contributed to the establishment of a reformed public procurement system and reinforcement of the internal financial control environment throughout public administration at central and municipal levels and development of internal audit capacities.

Ministry of Agriculture, Forestry and Rural Economy is being assisted to promote the consolidation of agriculture lands. With Agency assistance the Agricultural Master Plan is being developed. And work continued to help minority communities, especially Serbian people, to start small businesses that can earn them a living.

We had projects for the development of a comprehensive border and boundary management strategy, the Kosovo Police Service and to refurbish border control facilities, for the development and modernisation of the Vocational Education and Training System. We are assisting Ministry of Trade and Industry to set up the Investment Promotion Agency and develop employment strategy.

Building the capacity of the Statistical Office of Kosovo to produce a sustainable system of national accounts and agricultural statistics

7. Also in 2005 EAR continued to help Kosovo with many projects. What kind of projects? How much was the amount for these projects?

For the 2005 assistance programme European Commission has allocated €54 million for Kosovo, including €2.5 million programmes on higher education TEMPUS and Customs that are directly managed by the Commission.

I will group the project areas in three section programmes to give a general overview. We will focus on further institution building and good governance (€19.6 million) that will include programmes on justice and home affairs, integrated border management, public administration reforms, customs and taxation. The second section would be the democratic stabilisation (approx. €6 million) that includes programmes on minority rights and returns and civil society, while the section on economic and social development (approx. €26.9 million) includes programmes in the areas of economic strategy and enterprise development; rural economy, energy, environment, education and employment.

8. Have you channelled the funds toward what you deemed to be necessary for a project in a municipality or you have funded projects that municipalities have proposed? I am stating this because there was no failed project, but might have been a certain mistake in assessing the necessity for a project, but the municipalities have suggested you other project? I know of a village (Bakshi, Obilic) where the electricity decomposed wooden pillars have fallen, and are 50 years old, and no one, nor the municipality does something to avoid this threat to villagers. What would be your comment to this?

The Agency's project proposals are developed in consultation with stakeholders in the PISG, UNMIK and donor community – particularly the EU Member States. The project proposal are meant to reinforce the European Partnership for Kosovo (which include the Standards for Kosovo), as reflected in the European Commission's Multi-Annual Indicative Programme 2005-2006 (MIP) covering Kosovo and also PISG strategic direction. The Communication from the Commission – A European Future for Kosovo (April 2005) - has also informed the development of this draft programme.

9. Kosovo is still facing problems in its development and with economic development crises. Will EAR continue to assist and what we should do to move ahead?

In one way or another all answers to your questions, on current difficulties and the way of moving ahead are included in the recent Communication of the European Commission 'A European Future for Kosovo' that concentrates primarily on the economic aspects of Kosovo's development, institution building, EC's assistance and the regional context. All these factors are part of a broader context which includes the security environment, political legitimacy and reconciliation between communities. Without security and reconciliation investment will not come and Kosovo will remain dependent on assistance. The Commission stands ready to provide its contribution to these issues working. Kosovo has the youngest population in Europe. Its youth is its main asset, in terms of economic development as well as reconciliation, but best use of that asset depends on greater assistance for education reforms'.

Last year, the European Council decided to extend the Agency's mandate until the end of 2006. What will come next in institutional terms is not decided, yet but the EU's commitment to helping Kosovo as stated in the Communication is beyond any doubt for many years to come.

At this occasion I would like to underline that the EAR does not have a monopoly for channelling EU money into Kosovo. For example, there is the CARDS Regional Action programme for the whole region and which is managed directly by Brussels, the EU finances UNMIK Pillar IV and contributes to other international organisations present in Kosovo like the IOM.

10. What Kosovo needs most? What would be your message for the development of municipalities and economy?

As negotiations on Kosovo's final status draw nearer we can say that significant changes have taken place over the past few years. The role of the Agency was and is to help improve conditions in Kosovo and I believe our effort together has made a considerable difference in the day-to-day lives of the people. We are also helping Kosovo to develop a "European Perspective" by assisting the government to introduce the same rules and standards we have in the European Union.

The EU has been generous in its support of local schemes and building projects. This generosity can, in our opinion, be used to encourage a more widespread acceptance by the Kosovars of the types of values we hold important in the EU, such as minority and human rights, and good public governance.

Like for most of EAR projects the success is not only link with availability of donor funding, but on the commitment, good will and hard work of the beneficiary. The European Commission will continue to work along with the Kosovars to build a better future for Kosovo.

EU launches project to reform public procurement in Kosovo

23 November 2005



Press conference on 22 November to announce the project on public procurement reform

Pristina, Kosovo –The European Union launched the second phase of a project today to support the reform of Kosovo's public procurement system. The new project will consolidate the work carried out in first phase of the project that ended in October 2005, which supported the preparation of secondary legislation and capacity building of public procurement officers in Kosovo.

"The establishment of a workable public finance management system is a major challenge, and procurement forms an essential part of this system," said Nadia Costantini, Programme Manager at the European Agency for Reconstruction. "The Agency is supporting an important public procurement reform programme which encourages procurement based on transparency and competition," she said.

The project managed by the European Agency for Reconstruction will support the Public Procurement Regulatory Commission to establish a modern and transparent public procurement framework in Kosovo in line with the EU *acquis communautaire*. This is in accordance with the new European Partnership priorities approved on 9 November which state that Kosovo will "adopt and implement effectively the revised public procurement law, including related implementing legislation" and "establish effective review procedures". The project will thus assist to enhance the policy, monitoring and review capacities of public procurement institutions. Assistance will also focus on informing and training the contracting entities and the procurement officers in charge of managing the awarding procedures.

The project also aims to increase access to information on public tenders by setting up a website providing full details of public procurement in Kosovo, including legislation and information on specific public tenders. It will raise awareness and knowledge about the new public procurement system among the contracting authorities, economic operators, public procurement institutions and the general public. The €1.5 million project will last 18 months.

The procurement function forms an essential part of an administration's finance management system and as such it is imperative for the financial health and well-being of Kosovo to ensure that an efficient procurement system is put in place and, more importantly, implemented and enforced.

The European Commission, through the European Agency for Reconstruction, has allocated some €20 million within its 2005 annual programme of €51.5 million to support capacity building of the PISG to more effectively perform their governance roles and to strengthen the rule of law, in line with European Partnership priorities and EU best practice, and in the context of the transfer of additional competencies from UNMIK.

EU backs effort to improve internal financial control in Kosovo

98 internal auditors receive training under an EU funded programme

24 November 2005



An internal auditor receives his certificate

Pristina, Kosovo – A total of 98 public officials were awarded certificates today for successfully completing a comprehensive training programme under an EU funded project to improve public finance management in Kosovo. As part of the training, 30 pilot audits were carried out in selected municipalities and ministries, and an internal audit manual was prepared. The findings of these pilot audits were presented by a selected task force composed of internal auditors from ministries and municipalities.

"The training programme has raised awareness among public officials of the importance of implementing a robust internal financial control system that guarantees effectiveness, efficiency and transparency in the use of public funds", said Nadia Costantini, Programme Manager at the European Agency for Reconstruction. "With the EU's help, Kosovo is gradually aligning its public finance management practices with international standards," she said.

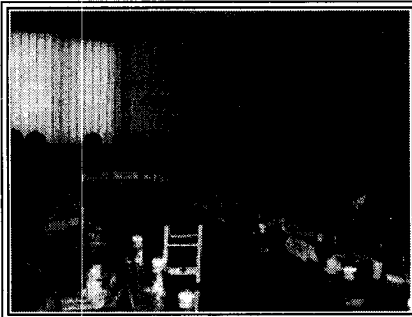
The €2 million project, managed by the Agency aims to improve internal audit and control in order to ensure that the Kosovo central budget and the budgets of municipalities are effectively planned, managed and controlled.

The EU project provided training to officials in the Internal Audit Department of the Ministry of Economy and Finance, and all line ministries and municipalities. It also assisted the Ministry of Economy and Finance in developing a policy paper on public internal financial control (PIFC), that sets out the legal and policy framework and is a key benchmark to measure existing public audit and control systems against internationally accepted standards and EU practice.

The project was successfully implemented with the help of the Association of Kosovo Municipalities and the Ministry of Economy and Finance.

EU to provide €1 million to help Kosovo Statistical Office get ready for a population and housing census

29 November 2005



Giorgio Mamberto, Head of the European Commission's Liaison Office, and Melihate Tërmkollli, Kosovo's Minister of Public Service, launch the project in Pristina

Pristina, Kosovo – The European Union launched a project today to help Kosovo's statistics office prepare for a population and housing census. The EU will provide €1 million in assistance over the next 18 months.

"The housing and population census is fundamental for a reliable statistical system and is the basis for effective policy making," said Giorgio Mamberto, head of the Liaison Office of the European Commission in Kosovo." Mamberto emphasised that Kosovo is required to carry out a population and housing census in line with international standards under its new 'European Partnership' with the EU.

There are currently no reliable figures on Kosovo's population. The last census with near universal participation was carried out in 1981. The census held in 1991 is widely seen as incomplete as it was boycotted by Kosovo Albanians.

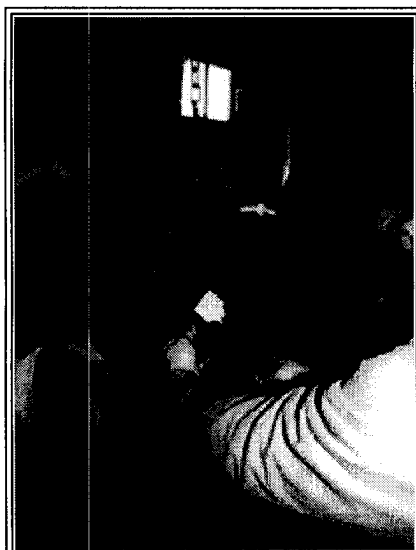
The EU project, which will be managed by the European Agency for Reconstruction and implemented by a consortium led by ISTAT, will provide crucial technical assistance to Kosovo's institutions in preparing and running the census. International and local experts will ensure that draft questionnaires are in line with international standards, train staff of Kosovo's statistics office, assist with data collection and entry techniques, help design software to process the data and prepare a manual on methodology. Staff conducting the census will be trained to encourage minorities and women to participate. The project will also support Kosovo's statistical office in designing and implementing a broad communication campaign ahead of the census, as its success will largely depend on how well the population and institutions respond to the questionnaires.

The European Agency for Reconstruction has previously helped Kosovo's statistics office set up a system of national accounts, increase its capacity to provide information, and improve coordination between the office and other Kosovo institutions on matters related to official statistics.

EU funds cattle identification and registration in Kosovo

New initiative will improve food safety and help farmers export beef

19 December 2005



Starting of R&I at the farm near Lipjan

Pristina, Kosovo – Farmers in the town of Lipjan today saw the launch of a Kosovo wide cattle identification and registration scheme, which is part of an EU-funded project to strengthen Kosovo's public veterinary services.

"The programme is designed to improve Kosovo livestock sector, it is also important for the protection of the consumers and to ensure quality control of food products," said Thierry Bernard-Guele, head of the Pristina office of the European Agency for Reconstruction, which is managing the project. "To put in place Identification and Registration system all over Europe is a priority of the EU," he said.

Under the scheme all cattle in Kosovo will be identified and registered with a set of ear tags. Teams of specially trained veterinarians and technicians will visit farms across Kosovo and tag animals. Farmers will be instructed to report all births, movements and deaths of their cattle. In addition, every animal will be issued its own 'passport' recording its ownership and

movements. As soon as the system is fully implemented, only ear tagged cattle will be allowed to be transported and sold in markets and slaughterhouses in Kosovo and abroad.

All information about Kosovo's cattle will be recorded in a central database that will keep an up-to-date record of holdings, farmers, animals (including births, movements and deaths), traders, markets and slaughterhouses. It will track and trace the movements of individual animals, and allow the authorities to enforce movement controls and veterinary restrictions if necessary. This should help prevent the spread of animal diseases and control outbreaks. A veterinary surveillance and control programme will be introduced to facilitate domestic and international trade, and data will be shared with other IT systems in Kosovo and abroad.



The ear tagging scheme is part of a wider EU programme to support Kosovo's veterinary services. Under the first phase, all farms in Kosovo were registered in 2003, which helped train employees and prepare the ground for proper monitoring of the cattle industry.