

## Euro, a new feeling for money.

**S**tarting from 1 of January 2002, we will pay on Euro. But how to understand the value of the Euro?

Those who think that with changeover to Euro we will have prices with a hidden increase should carefully check them. It doesn't matter if you use calculator for this or you know by heart the conversion rate from DEM to Euro. But whenever you do a calculation by heart it is important to check the prices.

The most important thing is that you must acquire a feeling for prices. Another strategy is to know the prices of items that you often buy such as newspapers, milk or bread, therefore you gradually become more conscious on how much cost things.



'As far as I am concerned, I will accept the new money with pleasure'

Do you remember how many DEM are 1, 10 or 100 Euro? If you have these figures in your head, gradually you will develop your feeling for the prices.

There are some opinions regarding whether the new money will have an impact on people to spend more. but the fact that Euro banknotes have higher value than DEM banknotes could encourage people to spend more also.

One thing is inevitable: it is important to focus on our incomes and expenditures during the initial period of changeover to Euro.

As far as I am concerned, I will accept the new money with pleasure beginning with a calculation by heart of conversion of prices. After a while, I will stop that practise and I will enjoy the advantages of the Euro.

Ejup Qerimi

EICC has published a practical guide on Euro Changeover to Kosovo, in which are included and explained main details on new currency and its impact on business.

'Euro in the business of Kosovo'  
This guide you can find in our office, in the Banking and Payments Authority in Kosovo (BPK) and its branches throughout Kosovo and in all Commercial Banks of Kosovo.

We wait for you

## Editorial

Dear reader,

This is the second issue of our newsletter.

It is my pleasure to announce that we provided services to 80 clients for a month and a half? So, with the EICC now we have an EU institution established in Kosovo within Kosovo Chamber of Commerce, so it means that our ties with EU are strengthening. All of us are aware of EU commitment to Kosovo through different funded projects in infrastructure, industry, agri-business, educations, health and other. One of these projects is the EICC that will assist in strengthening of our businessmen through offering qualitative information and services. We invite the business community to use the EICC as a gate to EU.

Ejup Qerimi

*The European Commission is the biggest and one of the most important of all the European institutions, having an important influence on the European decision making proces.*

The European Commission counts no less than 15 000 people, roughly half of the total employed by the European institutions. The Union has 11 official languages, and about one fifth of the Commission staff work in the translation and interpreting services. Citizens of the Union must have access to the texts adopted at EU level in their own language.

The Commission consists of 36 directorates-general (DG's) and specialised services. They are each headed by a director-general, who is equivalent in rank to the top civil servant in a government ministry. The directors-general report to a Commissioner, each of whom has the

political and operational responsibility for one or more DG's.

When we talk about 'the Commission' as a political body, we mean the twenty Commissioners (or Members of the Commission) at its head. Commissioners are men or women who have generally sat in national parliaments or the European Parliament or who have held high office in their home countries, often at ministerial level, before coming to Brussels. The Commission is appointed for a five-year term, which is the same as the life of the European Parliament but starts six months later.

The Commission meets once a week to adopt proposals, finalise policy papers and take other decisions required of it. Routine matters are dealt with via simplified written procedures. When necessary, the Commission may hold special sessions in addition to its weekly the

meeting. At its meetings, each item is presented by the Commissioner responsible for the policy sector in question. Decisions are taken where necessary by a majority vote; when a decision has been adopted, it becomes Commission policy. It then has the full support of all Commissioners.

In addition to the staff of the directorates-general for which they are responsible, each Commissioner has his or her own private office or 'cabinet'. This consists of six officials who serve as the bridge between the Commissioner and the DG's. But they also function as eyes and ears to brief their 'boss' on issues he or she might want to raise concerning policy papers and draft proposals prepared by other Commissioners. The work of the Commission is co-ordinated by its Secretariat-General.

(Information provided by the European Union)

Njësia e Zhvillimit të Agrobiznesit (ABU) është themeluar në mars të vitit 2001 me fonde të siguruara nga Agjencia Europiane për Rindërtim.

Projekti është program komercial i kredive, nuk është program grant. Nga huamarrësit kërkohet të ripaguajnë kredinë me përqindje të kamatës së tregut.

#### Struktura dhe procedurat e ABU

ABU-ja ka themeluar dy komitete të kredive, një për Programin e Zhvillimit Industrial dhe një tjetër që mirret me propozimet Bujqësore dhe të Agro-Përpunimit.

Disa aplikimi nuk do të mirren parasysh nëse aktivitetet e tyre janë të dëmshme për jetën e njeriut dhe ambientin. Kjo do të përfshinte, për shembull, duahnin dhe produktet e duhanit ose ndërmarrjet që janë ndotëse që nuk marrin masa të duhura sa i përket çështjeve të ambientit..

Kreditë e përgjithshme do të mirren parasysh për ndërmarrjet dhe projektet që krijojnë qarkullim importi, gjenerojnë mallra për eksport, riaktivizojnë kapacitetin ekzistues prodhues dhe krijojnë punësim shtesë. Në kuadër të sektorit Bujqësor dhe të Agro-Përpunimit prioritetet përfshijnë prodhimin e produkteve të

qumështit dhe përpunimin, prodhimin e foragjereve, prodhimin e mishit dhe shpezëtarisë, prodhimin e të korrave (drithërave, farës së vajit, etj), përpunimin e mishit, prodhimin e pemëve dhe perimeve dhe përpunimin, prodhimin e verës dhe produkteve të rrushit dhe projektet e akuakulturës..

Programi industrial do të merr në konsideratë projektet në kuadër të shumë sferave të prodhimit industrial dhe përpunimit, nga prodhimi i tullave deri në mallrat elektrike. Në këtë fazë të programit vetëm Ndërmarrjet

Në këtë fazë të programit vetëm Ndërmarrjet Shoqërore do të mirren parasysh për ndihmë.

#### Gratë dhe Minoritetet

Përderisa kriteriumi kryesor për asistencë financiare gjithmonë do të mbetet qëndrueshmëria financiare e ndërmarrjes specifike, ABU-ja në mënyrë aktive kërkon propozime prej komuniteteve minoritare në Kosovë dhe ndërmarrjeve që punësojnë ose do të punësojnë gra dhe ato që operohen nga gratë.

#### Trajnimi dhe Asistenca

ABU-ja do të iu siguroj klientëve një pako gjithëpërfshirëse të trajnimit falas dhe zhvillime të aftësive në sfera të tilla siç janë kontabiliteti, sistemet e informacionit të menaxhmentit, marketing, metoda të prodhimit si dhe çdo sferë tjetër të cilën ekspertët ndërkombëtarë e konsiderojnë të duhur për ti siguruar klientit sukses afarist.



The European Agency for Reconstruction is responsible for the management of the main EU assistance programmes in Kosovo, Serbia, and Montenegro. It was established in February 2000 and has its headquarters in Thessaloniki and operational centres in Pristina, Belgrade and Podgorica. It is an independent agency of the European Union, accountable to the European Council and the European Parliament. It is overseen by a Governing Board composed of representatives from EU Member States, and chaired by the European Commission. The European Agency for Reconstruction's main objectives are: to carry out immediate physical and economic reconstruction; to lay the foundation for the development of a market economy; and to support the establishment of democracy, human rights and the rule of law.

For further information and contact details: [www.ear.eu.int](http://www.ear.eu.int)

## Women in the economy

Economy and problems regarding economic reconstruction are topics of a several month's debate of women's non-governmental and international organizations in Kosovo. On November 29th-30th, 2001, a conference on this subject was organised in Pristina.

The aim of the conference 'Women and the Economy' was to open a dialogue between different actors in the field of economy and Kosovo's women and by doing so try to advance the economic status of women by engaging policy makers to ensure equal access to resources and opportunities for women and girls as well as increasing participation of women in the formulation of economic policy and legislation. The conference also wanted to create a forum for information exchange and analyses particularly on the issues of the status of women in Kosovo's economy, impact of current economic policies on women, identifying gaps in donor support for women in economic development, constraints on women in accessing resources and opportunities, foreign investment and future trends in the economy. Finally, the participants stressed the need to foster long-term changes in gender-based discrimination by emphasizing the inclusion of women from all ethnic communities in economic activities and the critical need for access to education for girls.

The conference formulated recommendations on which will be created policies, legislation and projects for economic development of Kosovo. The monitoring will continue its work after the conference in order to include more women as entities in fulfilling of policies and projects of economy and in order that this activity to be continuous.

The organisation of this conference was taken

The Kosova Chamber of Commerce has started the initiative to edit and publish a Directory for economic entities in Kosovo and other overall data for Kosovo and its economy.

In its last meeting the KCC Managing Board has appointed an editorial team for the production of the 'Directory 2002' on the Kosovo economy.

This Directory will include all data for economic entities such as name, address, contact persons, website and e-mail address, telephone number, fax, name of the manager, year of establishment, number of employees, activity code (NACE number), status, juridical form and (maximum) five of the main products and or services of entity mentioned.



care of by over 60 local and international women organizations, individuals from UNMIK, UN agencies acting in Kosovo as well as from EU. This initiative can also be seen as the continuation of the activity of women's non-governmental organizations and the Network of Kosovar Women who a year ago organized the 'Women for Albanian Women' conference that took place in Prishtina in July, 2000.

The conference 'Women and the Economy' was attended by representatives of local women's organizations, political parties, beneficiary women from small business projects, donor organizations supporting projects of economic reconstruction in Kosovo, associations of business women and also the representatives of UNMIK and the World Bank. Also women from ethnic minority groups such as Serbs, Bosnians, Turkish and Roma attended the conference, both as participants but also speakers.

Kosovo's women through this conference once again proved their readiness to create partnership between organizations and certain groups within the society which have mandate and intend a developed economy in Kosovo. Vjollca Krasniqi

In this directory general data will be given about the geographical position, relieve, climate, natural resources, population and languages, history, administrative structure, economy, applicable laws as well as all governmental and independent institutions of Kosovo.

The Directory will have around 300 pages (of which 80 in full colour) and will be printed in 15,000 copies. According to the demands of persons and companies interested, their data can be placed in 1/16 to 1/1 page. KCC expects no less than 1.500 economic entities will participate in the project. For technical details and prices please feel free to contact the Kosovo Chamber of Commerce.

## Tenders

"Tenders" is the most authoritative database of European Public Procurement contracts and contract awards notices.

In [www.europa.eu.int](http://www.europa.eu.int) you will find useful information designed to help you to get the most out of tenders. This fully searchable facility provides access to many contract notices added every day.

Alternatively, the EICC can identify new markets for your current products and services or find contracting or subcontracting opportunities from different contract awards. Our database contains many potential business opportunities across Europe.

Using our facilities, you can search for tenders. We search the text of all tenders notices published every day and pick out any tenders that match your profile.

You will find here some of the tender notices published recently.

### Rehabilitation of the road M2 Kacanik Blace Kosovo

Reference: EuropeAid/112803/DW/KOS  
published 18.07.2001  
Status: [Forecast](#)  
Documents: [forecast](#)

### Rehabilitation of a building for the new Kosovo Provincial Authority

Reference: EuropeAid/112806/DW/KOS  
published 18.07.2001  
Status: [Forecast](#)  
Documents: [forecast](#)

### Establishment of a quick build prison in Pristina

Reference: EuropeAid/112807/DW/KOS  
published 18.07.2001  
Status: [Open \(until 11.02.2002\)](#)  
Documents: [forecast](#) [tender](#)

### Supply of semi finished steel material

Reference: EuropeAid/112986/D/S/KOS  
published 05.10.2001  
Status: [Forecast](#)  
Documents: [forecast](#)

### Construction of Sanitary Landfill in Kosovo Dragash

Reference: EuropeAid/113096/DW/KOS  
published 21.11.2001  
Status: [Forecast](#)  
Documents: [forecast](#)

Please contact the EICC via phone, fax or e-mail for more details.

## Business proposals and cooperation

At the EICC we regularly receive business or trade proposals from companies from within as well as from outside the European Union. In this column, we will publish bimonthly a selection of these proposals. Later on, a complete overview will be made available on our website.

Ref 2001/9/1: AUSTRIAN wholesaler of original computer, printer, copy and fax consumables is seeking an importer/distributor in Kosovo. The company distributes ribbons, ink and toner cartridges, magnetic media and stationary of over 150 brands such as Olivetti, Minolta, Ricoh, Canon, Epson.

Ref 2001/9/2: ITALIAN producer of cosmetics is looking for importers/distributors.

Ref 2001/9/3: AUSTRIAN company, specialised in equipment for the production of electric power (e.g. generators for emergency power) is looking for importers/distributors.

Ref 2001/12/1: A BULGARIAN company offers ladies clothes made from natural and synthetic materials in classic models and/or embroidery in all possible sizes.

Ref 2001/12/2: A Greek company is interested to find distributors for the wide range of their products in heating, air conditioning and solar systems.

Ref 2001/12/3: A Company from RUMANIA is interested to find distributors and importers for their products such as jams in glass jars, preserves in glass jars and diet products (sugar free).

Ref 2001/12/3: An American company NTC International which is the largest exporter of Microwave popcorn is seeking potential partners in Kosovo.

Ref 2001/12/4: Austrian company is seeking a buyer for a used machine for mixing asphalt.

Ref 2001/12/5: Austrian Consulting company offers: preparing market analyses and marketing plans, searching for importers and distributors, suppliers and joint-venture partners.

If you are interested in one of these proposals, please feel free to contact the EICC on (tel-nrs) or via [info@kosovo-eicc](mailto:info@kosovo-eicc). We will forward you the co-ordinates of the company of your choice as soon as possible. We can also give assistance to establish a first direct contact with your potential counterparts.

Kosovo companies may also contact the EICC if they would like their business and trade proposals to be distributed throughout the 300 EICC offices in Europe and the Mediterranean.

*For 2002, UNMIK is preparing a wage income tax, a pension program and a profits tax. These taxes will make Kosovo self-sufficient in the years ahead, but also change the way companies are working internally.*

Each year a larger percentage of the Kosovo Consolidated Budget comes from taxes as donor assistance tapers off so that by 2003, 100% of the budget will come from taxes. The proposed income and profits taxes and the pension program to be launched in 2002 are working their way through the approval process and are slated to take effect early next year.

Although these regulations are not yet signed, the EU Pillar IV wanted to provide you a preview of the regulations so that you have opportunity to plan the procedural changes your payroll system may require or to make your business bookkeeping system to be in compliance with international accounting standards.

After the regulations are approved and the administrative instructions are drafted, there will be a series of seminars with the Tax Administration and the Central Fiscal Authority.

### Wage Tax

Next year Kosovo workers will pay a wage tax that will be deducted each month from their salary. Workers absorb this tax, so it should not increase a business payroll costs or trigger wage increases. Businesses and organizations will only be responsible for administration of the tax withholding and payments on behalf of their local employees.

Those who will pay the wage tax will be all local employees of the government, international organizations and private and public businesses. The local employees of OSCE, the European Union and international non-governmental groups will also pay the tax. There is UN provision from 1948 that no UN local staff pay taxes, but the SRSG has requested Secretary General Kofi Annan waive this immunity for Kosovo.

Kosovar staff with dual citizenship can choose to pay the wage tax in either of their countries. Dual citizens, who choose to pay wage taxes in their second country, will be asked to prove wage tax payments in that country when the Kosovo Tax Administration audits them.

International staff of the UN, international agencies, and non-profit organizations will not be liable for this tax, and pay taxes to their home or donor countries. However internationals working for businesses, local or multinational, in Kosovo will be required to pay this tax.

The proposed wage tax will have progressive rates of 0%, 5% and 10% for the year 2002. From 2003 onwards the rates will increase to 0%, 10% and 20%. For all employees, the first DEM 0-100 earned each monthly pay period will not be taxed, but in 2002 wages from DEM 101 to 500 will be taxed at a rate of 5% and earnings of 501 DEM a month or above at a rate of 10%.

Wages include allowances, perquisites and payment in lieu of salary. If workers are on the payroll or receive a salary, they are liable for the wage tax irrespective of whether they have or have not a signed contract with the employer.

The wage tax has to be withheld by the employer at the time of salary payments each month and remitted to the Kosovo Consolidated Budget at the Banking and Payment Authority of Kosovo (BPK). Along with the payment, the employer will attach a list of the employees, salaries paid and wage tax withheld and paid. At the end of the calendar year, the employer will give to each employee a tax-withholding certificate stating the amount of tax withheld from the employees' wages. This certificate will be proof for the employee of their payment of the wage tax.

The withholding for the wage tax and pension plan are mandatory for all employers whether organizations or businesses. The employer does the filing and remittance of wage tax withheld and pension accounts contributions at the same time at the end of the month. These filings and payments can be made at banks.

EICC-ja në Kosovë do të organizoj takime të rregullta pune, seminare, sesione trajnimi për komunitetin afarist direk apo në bshkëpunim me organizatat tjera. NVM Kosovare do të informohen rreth datave dhe vendeve përmes njoftimeve në gazetata lokale ose përmes postës. Ju lutemi gjithashtu ti referoheni faqes sonë të internetit [www.eicc-kosovo.org](http://www.eicc-kosovo.org). Ju lutemi kontaktoni zyren tonë me tel. fax, e-mail ose vizitoni qendrën tonë personalisht. Ngjarjet e planifikuara janë:

30 janar 3 shkurt në Hotel Iliria: Delegacion Italian në sektorin e agrobiznesit do të vizitohet Kosovën me qëllim të ofrimit dhe kërkimit të bashkëpunimit me kompanitë kosovare.

Me 21 shkurt, 2002 në Odën Ekonomike të Kosovës, EICC-ja do të organizoj Sesione Trajnimi mbi INCOTERMS (seri e rregullave të standardizuara që definojnë të drejtat dhe obligimet e shitësit dhe blerësit).