

MFK – Kosovo
MINUTES OF THE 3rd BOARD OF DIRECTORS MEETING
03.10.2018
10:00 AM, Swiss Diamond Hotel, Diamond Club, Prishtina

The Board of Directors (“*Board*”) of Millennium Challenge Account-Kosovo (“*MFK*”) held a 3rd meeting at the above-mentioned date and time for which notice was duly given on 24th of September, 2018 in accordance with (i) the Statute of MFK (“*Bylaws*”), and (ii) the Millennium Challenge Threshold between the United States of America, acting through the Millennium Challenge Corporation (“*MCC*”), and the government of Republic of Kosovo (the “*Government*”), executed on 12 September 2017 (the “*Threshold*”). Capitalized terms used but not defined herein shall have the meanings given such terms in the Bylaws or Compact.

I. BOARD MEMBERS

Present in Person: Avni Arifi, Chief of Staff of PM, Chair
Ardian Arifi, Deputy Chief of Staff of President
Valdrin Lluka, Minister of Economic Development
Altin Ademi, Political Advisor to Minister of Justice
Luan Shllak, NGO/ Kosovo Foundation for Open Society
Laura Kryezou, NGO / Leadership and Growth Council – LGC
Rea Kryeziu, Private Sector / Advisor, Kosovo Chamber of Commerce

Others Present: Petrit Selimi, Chief Executive Officer at MFK
Sarah Olmstead, Resident Country Director from MCC
Anila Statovci Demaj, Director of Administration and Finance at MFK
Kastriot Orana, Executive Secretary at MFK

Chairperson of the Board: Avni Arifi, Chief of Staff of PM

Board Secretary: Anila Statovci Demaj, Director of Administration and Finance at MFK

II. PROCEEDINGS

Meeting called to order at: 10:00AM CET.

The Chairperson opened the meeting and invited the MFK CEO to present the agenda and individual items of the 3rd Board Meeting. CEO, referring to the Statute of the MFK, asked for Board Members to vote for approving the alternate representative of the Non-Government board

member. The board approved unanimously. The Chairperson confirmed that a quorum of the voting members of the Board exists and proceeded with the agenda.

Confirmation and written notice of attendance was circulated and signed by seven board members. The meeting was then duly and legally convened and opened for the transaction of business.

A. Discussion and Action Items¹

1. CEO presented the agenda and called for approval of the following agenda items:

- 1) Approval of Agenda;
- 2) Working and Financial Report from the last period;
- 3) Approval of updated Organogram;
- 4) Amendment of updated Procurement Plan #2;
- 5) Approval of Evaluation System for Staff Performance;
- 6) Report on Compact Agreement as well as UN indicators and
- 7) Others

CEO called for a vote on agenda which was approved by raising hands unanimously.

RESOLVED, that the Board hereby approved the abovementioned agenda by consensus.

2. CEO presented the MFK status report to the Board and explained the particular items within this report. The Board was presented with all MFK activities to date on the three main departments. Administration and Finance has dealt with all set-up issues including engagement of a Fiscal Agent as the one largest item in Program Administration. In total the spending of the grant is very low, less than 1% in total, bearing in mind that the full MFK staffing was completed only in May this year. The MCC Country Director, Ms. Sara Olmstead confirmed that this a regular project life in MCC programs. The CEO informed the Board about Government of Kosovo (GoK) contributions. Board member, Ms. Laura Kryeziu asked for more details on the GoK contributions. CEO presented in more detail the financial contributions which were presented through a report to the Board.

The two thematic projects, Energy Efficiency and Transparency and Governance are at the point of closing the design phase and entering into the implementation stage. At this point board member, Mr. Luan Shllaku, asked for more concrete information as to when MFK activities would be visible for the public. CEO explained that as per present dynamic, the Open Data Challenge has already begun and the award ceremony is planned for 26 October 2018, whereas the Energy program would start most probably only by the second quarter of next year. Further to the Open Data Challenge the CEO explained the details of this activity. He informed the board that the MCC acting CEO Mr. Brock Bierman, will be visiting Kosovo and MFK 25 – 27 October 2018, as his first visit to a MCC program. In

¹ Forms of each document to be approved, to be attached to the Minutes of Meeting.

this regard, the board will be invited to attend several events planned for this visit, which will also include the official opening of the newly renovated MFK premises.

Board member Mr. Luan Shllaku, suggested next board meeting meets directors for more strategic input and discussion over Threshold Program and the donor agenda over next 3 years. Board approved the comments and CEO confirmed he will assist the board in sch fashion as proposed.

CEO called for a vote on the MFK status report which was approved by raising hands unanimously.

RESOLVED, that the Board hereby approved the MFK status report by consensus.

3. Chair of the meeting called for approval of MFK organogram:

CEO presented the updates in the MFK organogram as per specifics of the Threshold and called for the approval of the updated organigram

RESOLVED, that the Board hereby approved the MFK organogram.

4. CEO called for approval of the changes to Procurement Plan #2:

Chair notified the Board members that they approved annual Procurement Plan #2 had to be amended in several line items in order to reflect the actual project design. The changes do not substantially change the overall amount, they are separation of one line item into two, or joining two line items into one procurement. Also one procurement method had to be changed from a Sole Source to a competitive method. Having received an MCC no objection, now the guidelines require a full information and approval of the MFK Board as well.

Chair called for a vote on the amended Procurement Plan #2 which was approved by raising hands unanimously.

RESOLVED, that the Board hereby approved changes of Procurement Plan#2.

5. CEO called for approval of Evaluation System for Staff Performance:

CEO presented the MFK developed System for Staff Performance. He informed the board that payment of bonuses to staff was included in MCC guidelines and also in employment contracts. It is up to the discretion of the Board to approved the performance-based system which was presented by the CEO.

CEO called for a vote on the Performance Based System which was approved by raising hands unanimously.

RESOLVED, that the Board hereby approved the MFK Evaluation system for Staff Performance.

6. Report on Compact Agreement as well as UN indicators

CEO informed the Board about the engagement of MFK, MCC and GoK on the potential agreement for the Compact. Upon questions, MCC Country Director, Ms. Olmstead informed the Board that in case of an award of the Compact, it would be a separated Program from the Threshold and the Threshold would continue as is. It was noted that the decision on the Compact depends fully on several independent indicators. Board member, Mr. Shllaku expressed his readiness and willingness to support the decision making for the Compact and asked for advice as to how could each board member help in this regard.

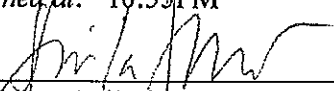
7. Others

CEO welcomed Ms. Laura Kryeziu as the seventh board member and briefly explained the process for her election.

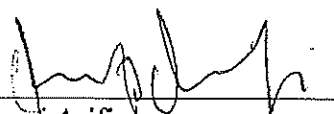
III. ADJOURNMENT

The meeting was adjourned at: 10:55PM

Certified by:


Name: Anila Statovci Demaj
Secretary of the Board
MFK

Acknowledged by:


Name: Avni Arifi
Chairman of the Board,
MFK

Attachments:

- 1) Agenda;
- 2) MFK status report;
- 3) Organogram;
- 4) Amended Procurement Plan #2;
- 5) Evaluation System for Staff Performance;
- 6) Attendance List.