



The Challenger

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Editorials by Bekim Çollaku and Murat Sahin on the work done by MFK and donor community in Kosovo

↳ UNDER PANDEMIC

Interview with the MFK expert Agron Bektashi on project implementation under COVID-19

↳ OUR ACTIVITIES

Key activities under threshold agreement expected to be launched in next three months

↳ WOMEN IN ENERGY

We asked the recipients of WE scholarship how their 1st year of studies in US was. We are sharing here some of their experiences

A SPECIAL ISSUE OF THE CHALLENGER

Ready to Restart

Kosovo shared the challenges with the rest of the region in dealing with the global COVID-19 pandemic. Millennium Foundation Kosovo had to delay launching of several key projects, but as the overall situation improves, both MFK as well as our institutional partners are ready to continue implementing our important interventions in energy efficiency, project financing in renewable energy and transparent governance. Over \$30million of works and services are expected to be contracted next 6 months throughout our portfolio.



BITS AND PIE



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QUARTERLY EDITORIAL

BEKIM ÇOLLAKU,
CHIEF OF STAFF OF THE PRESIDENT OF
REPUBLIC OF KOSOVO AND CHAIRMAN
OF THE BOARD OF DIRECTORS OF MFK

PARTNERSHIP UNDER THE PANDEMIC

Millennium Foundation Kosovo is one of principle instruments for implementing US development aid to Kosovo, namely the Threshold Agreement signed and ratified in 2017 by the President of Republic of Kosovo Hashim Thaçi and Millennium Challenge Corporation. This is a \$49million framework agreement that addresses two key constraints to Kosovo's economic growth: an unreliable supply of electricity; and real and perceived weakness in rule of law, government accountability and transparency. MFK is thus an independent and non-partisan institution dedicated to social inclusion in its's operations and projects. The "ownership" of the government and wider Kosovar society is maintained through the Board of Directors which consist of four members of Kosovo institutions which participate on ex officio basis as well as three independent members of civil society representing private sector, NGOs and academia. Despite overwhelming support for US policies within Kosovo society, this year has presented some unexpected challenges for both the institutions of Kosovo in general, but also MFK specifically. Global Covid-19 pandemic has hit our economy hard and all organizations, including MFK had to operate under full lockdown. Kosovo now needs to work to recuperate from the extensive economic damage caused by Covid-19.

Kosovo also had to endure a political transition. A government created early this year lost a vote of no-confidence and a new government has been established. Luckily, society and all institutions have consensual support for US and European involvement in Kosovo and I'm encouraged that the new Government is keen to continue "business-as-usual" with US federal agencies such as MCC. As a Chairman of the Board, I look forward to welcome the new Board members representing Ministry of Justice and Ministry of Economic Development. We have lost much time so I'm happy for the enthusiasm of the new team.

I am happy to see the political issues are now resolved by the new government and the pause in implementing critical projects by MFK, is now lifted. This will give necessary assurances to staff and other stakeholders that MFK is here to stay until all projects have been implemented, monitored and declared successful.

On behalf of the Board of Directors of MFK, I'm therefore very excited to see this new chapter in MFK operations, with the new vigor and optimism much needed in the forthcoming period.

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A WORD FROM DONOR COMMUNITY

MURAT SAHIN
HEAD OF UNICEF KOSOVO

INNOVATIVE SOLUTIONS FOR CHALLENGING TIMES

The COVID-19 pandemic is not only a public health crisis that is costing lives but also impacting the future of young people through its socio-economic consequences. Although young people are Kosovo's biggest asset, as they are nearly half of Kosovo's population, they are largely unprepared and unable to realize their rights and potential due to a lack of opportunities for civic participation as well as poor investments on their capacity and skills for future employment. However, when you walk through main boulevards of Prishtina, you will be amazed by solutions emerging from young people. The "The City Tree", "SHNET" the first of its kind sexuality education mobile phone application for young people, or the protective masks that are produced by adolescents at the correctional educational center are some of the examples. All developed as a result of UNICEF's UPSHIFT programme.

UPSHIFT was born in Kosovo in 2014 and got replicated in 23 countries including Montenegro to Vietnam, Jordan, Ukraine and to Nigeria. As a truly youth driven programme, Kosovo born UPSHIFT focuses on outreach efforts that empowers young people from remote areas and from most vulnerable groups of the society by providing transferable and entrepreneurial skills, and by supporting them to establish grass-roots, youth-led social ventures through a systematic experiential learning engagement followed with professional mentorship. The programme starts with a three days booth camp, continues with selected youth projects getting seed funding of 2.000 Euro complemented with six months of mentorship support from experts.

More than 9,320 young people have experienced UPSHIFT in Kosovo over the past six years. Adolescents from around Kosovo implemented 310 youth-led project and reached directly and indirectly to more than 200,000 beneficiaries. Nearly 37 % of youth-led projects consisted of multi-ethnic teams. Having worked at the nexus of technology and innovation, in response to COVID 19, UNICEF Kosovo quickly reacted in adopting and transforming UPSHIFT into digital platforms by embedding it to the Microsoft and UNICEF's global Learning Passport initiative. As I write this, UNICEF's youth led UPSHIFT programmes got accredited by Ministry of Education and about to be integrated in the upper-secondary education curriculum in Kosovo. UNICEF, together with youth and institutions of Kosovo, will continue to create and innovative solutions for further replication and scaling up globally.



FAVORITE NUMBER

\$2million

Is the sum of grants that will be disbursed through Women in Energy Grants program by Millennium Foundation Kosovo for Kosovar women entrepreneurs and women-owned businesses investing in measures that meet their energy demands. The grants scheme envisages grants of three types that will cover the wide landscape from small-scale projects for individual women entrepreneurs to bigger investments in medium to large women-owned businesses.

IMPORTANT NEWS

6 KOSOVO MUNICIPALITIES PRE-QUALIFIED FOR ENERGY EFFICIENCY INVESTMENTS BY MFK

Millennium Foundation Kosovo has pre-selected 6 municipalities in Kosovo that may receive significant investments in energy efficiency, within the program Subsidies for Energy Efficiency in Kosovo (SEEK). The municipalities of Prishtina, Gjakova, Gračanica, Mitrovica, Lipjan and Vitia, were chosen based on a competitive process. In a tripartite approach, World Bank will continue to finance the cost of the design of the interventions, MFK will finance the construction works, while municipalities will provide minor matching funds and will help creation of functioning Councils of Residents, to ensure sustainability of the project.



KOSOVO'S ECONOMY TO CONTRACT BY 4.5 TO 5 PERCENT IN 2020 AND EXPAND BY 7.5% IN 2021

The Western Balkans region is expected to enter a recession in 2020, with all six countries forecast to experience negative growth as they continue to grapple COVID-19 pandemic.

Growth in the Republic of Kosovo is forecast to be -4.5% according to the World Bank's Economic Report, followed by a rebound in 2021. At the same time The European Bank for Reconstruction and Development (EBRD) said it expects GDP to contract by 5% this year, reversing its November forecast for 4.0% growth. Kosovo's economic output is expected to return to growth in 2021 by expanding by 7.5%, the EBRD said in its May 2020 Regional Economic Prospects report.

OUR NEXT PUBLICATION ->

We are publishing an extensive compendium of texts, images, art work related to the issue of air pollution in Kosovo. We will also present the key projects related to our #DigDataKosovo Open Data Competition, where 4 different NGOs won around \$200,000 worth of grants to help identify solutions mitigating risks from air pollution. Pick up your free copy in our office address!

QUARTERLY QUOTE

WASHINGTON, D.C., June 6, 2020 - "The United States welcomes the resolution of Kosovo's tariff issue and the lifting of reciprocal measures on Serbian goods. Millennium Challenge Corporation is pleased to resume implementing the threshold program and developing the proposed compact program in Kosovo. MCC looks forward to a continued, strong partnership with the people of Kosovo and their government as we work together to reduce poverty through economic growth." -Statement of the MCC Regarding the Resumption of Programs in Kosovo

The Challenger

This newsletter is published by Millennium Foundation Kosovo (MFK) to inform the public on the projects implemented within Threshold Program, supported by the Millennium Challenge Corporation / Opinions and other information in this publication are not necessarily reflective of the opinions of MFK, MCC, or other partners in the Threshold program / Edited by: Petrit Selimi, Rina Abazi / Contributors: Burim Hashani, Agron Bektashi, Violeta Krasniqi Rexha, Gresa Statovci / Design and Illustrations: Studio PERMANENT (Nita Salihu Hoxha and Urtina Hoxha, Elvira Thaqi) / Contact: MFK, The Governmental Building Migjeni Str 21, Floor 9, 10000 Prishtina, Kosovo / Email: office@millenniumkosovo.org



FAVORITE TWEETS



AMBASSADOR PHILIP S. KOSNETT @USAMBKOSOVO

Kosovo Government receives \$1.1 million dollars from U.S. to provide operational support and increase Kosovo's response capability to stop further transmission and mitigate COVID-19's impact. #TogetherWeCan



MILLENNIUM FOUNDATION @MFKOSOVO

We hope our staff and contractors, partners and stakeholders in #Kosovo & #USA - and their families - are of good health. We are looking forward to meet you all again & restart our activities after the recent developments. Until then contact us through our website & social media.



PETRIT SELIMI @PETRIT

Official data show that average salary in #Kosovo is 602€ for 2019, one of highest in the Balkan region. At the same time Gini index which measures inequality in income is one of the lowest in Europe.



If you witness fraud and corruption during your interaction with MFK or the implementing partners report here ↓

mcc.gov/reportfraud

WE'RE READY CONT



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AGRON BEKTASHI
ENVIRONMENTAL & SOCIAL PERFORMANCE
SPECIALIST MFK

WE ARE TAKING ALL THE MEASURES TO IMPLEMENT PROJECTS AFTER THE COVID-19 PANDEMIC CRISIS

THE CHALLENGER

Interview with Agron Bektashi, Environmental and Social Performance specialist in our organization, discussing all the measures taken by the Millennium Foundation Kosovo (MFK) in mitigating risks related to project implementation. Under and after pandemic.

What are the principle considerations that MFK is having in mind during the forthcoming phase of implementing projects while global Covid-19 pandemic is still active?

The COVID-19 has had a very negative impact to the global construction and consulting industry, so naturally it has also impacted the MFK Threshold Program, influencing projects progress, labor shortages, and financial pressures. The MFK now is entering through very sensitive phase of starting with the implementation of the projects taking under full consideration fundamental principles such as value of life and health and safety of all concerned - including MFK Staff, Contractors, Sub-Contractors, Beneficiaries etc. The MFK response to the current health situation also requires special care and consideration to other groups such as: women, minorities and vulnerable groups. Furthermore, we will coordinate the efforts in project implementation with the local and central government. We have now approved and are implementing fully our own COVID-19 Risk Mitigation Plan.

Based on MCC Environmental Guidelines and in close cooperation with MCC, the MFK already contacted all Contractors with given tasks to proceed with the COVID-19 Risk Mitigation Plan, foreseen to forthcoming implementing phase.

What are the measures that MFK and our subcontractors will implement to minimize risk of transmission of the virus?

There are several measures that MFK and Contractors will undertake as a response to the pandemic situation. Almost all MFK's Contractors already have developed Health and Safety Management Plan (HSMP) as a basic contract requirement prior to commencement of work. The COVID-19 Risk Mitigation Plan shall amend and become integral part of the HSMP. When preparing a COVID-19 Plan, the Contractors need to be specific on staff roles and responsibilities in order to successfully oversee the pandemic risk measures. Also, the Contractors shall develop precise procedures in regard to Work Force Screening and Management.

No doubt that safe practices during the work activities are crucial measures to prevent transmission of the virus. These practices include: physical distancing, good hygiene and personal protective equipment (masks, gloves, and in some cases even safety glasses and face shields)

Will projects that envisage active interaction with people be cancelled or modified?

Projects that envisage active interaction with people will be the biggest challenge while the pandemic situation lasts. The COVID-19 pandemic requires a very high level of readiness and compliance with all protective measures and guidelines, whether compiled by the MFK / MCC or by local authorities.



Y TO INUE



Taking into account all the immediate measures that MFK has effectively undertaken, to cope with COVID-19 pandemic and adopt the new measures, including Health and Safety Management Plan and COVID-19 Risk Mitigation Plans, the Threshold Program projects were not significantly affected therefore, there is no reason for projects to be canceled or modified. If something needs to be modified it is the behavior of people and a greater conscience among MFK/MCC, contractors and beneficiaries/people.

Will projects which had to delay the launch receive an extension in implementation?

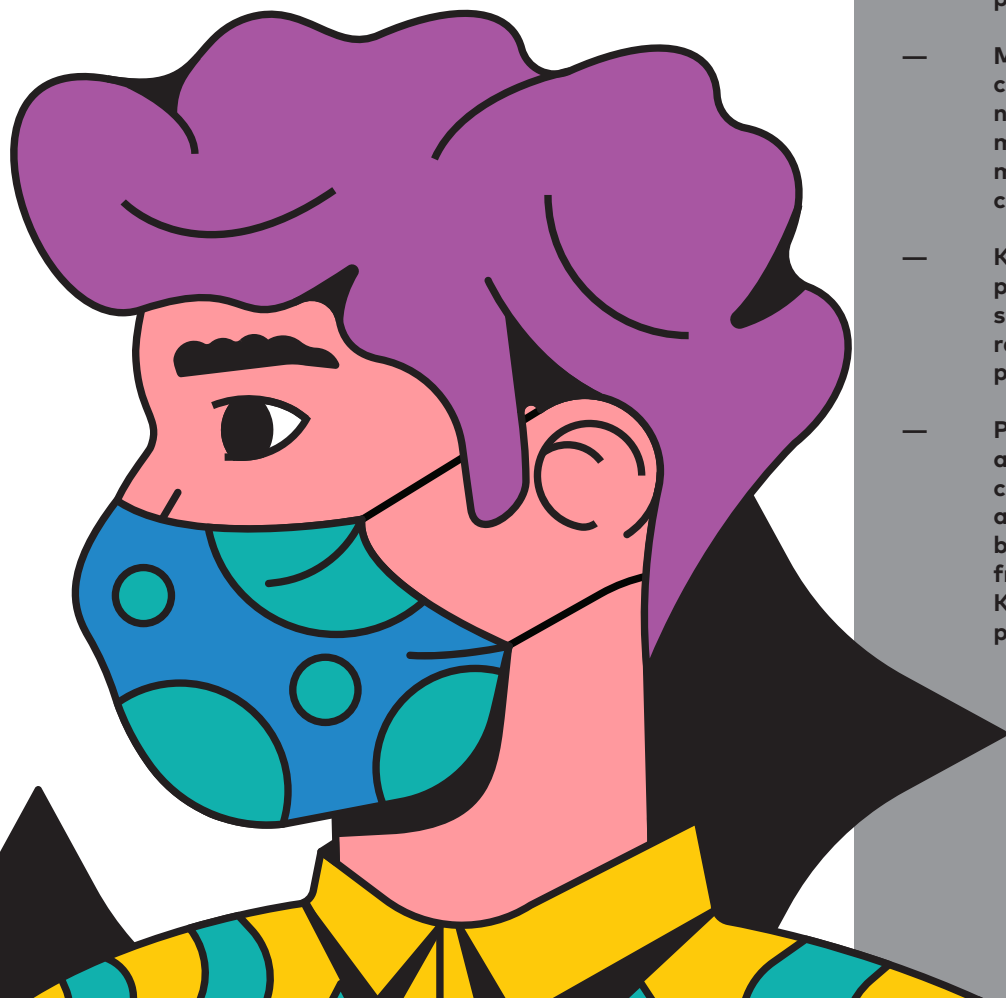
Faced with two unforeseen situations of 2020, like COVID-19 Pandemic and the "Pause", the MFK could not have avoided delays caused to the Threshold Program, but luckily the pre-contractual work with the contracts has been finished, putting the MFK into a favorite position to start right away with implementation of work in site, but with a few months delay. Therefore, the Threshold Program might require an extension of period for contract-implementation to ensure that the contractual milestones are effectively met, given the importance of the nature of projects considering that both project pillars of Energy Efficiency and Transparent and Accountable and Governance are leading projects in its area of investment in Kosovo.

—The MKF now is entering through very sensitive phase of starting with the implementation of the projects taking under full consideration fundamental principles such as value of life and health and safety of all concerned.

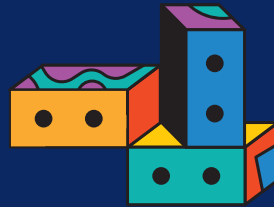
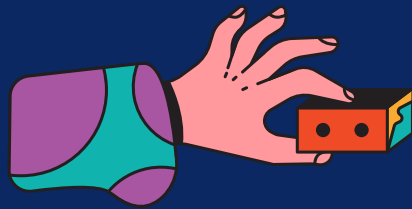
If you are implementing projects for MFK as contractor, subcontractor or consultant, what should you have in mind when dealing with our projects during the pandemic?

There are several steps one must take to ensure appropriate measures are implemented:

- Immediate development and effective implementation of COVID-19 Risk Mitigation Plan to be adopted in line with the scope and peculiarities of each project.
- Making available the health control and routine checks for all the staff engaged in the project to identify them with COVID-19 related symptoms, as an effective method of virus prevention from spreading around and potentially infect the others
- Mandatory policy of equipment at the construction site (and offices) with all the necessary personal protective equipment, medical equipment, disinfectant, and making that available to the personnel and construction workers at any time.
- Keep the number of staff in control at the premises at the same time and create more space for work and encourage the staff to reduce or cancel a non-essential meeting and physical contact.
- Pay special attention to security issues, such as the regulation of physical barriers at the construction site. And finally, strictly follow all instructions, orders and guidelines given by MFK and submit to the local regulatory framework and requirements provided by the Kosovo authorities regarding the ongoing pandemic.



MFK ACTIVITIES



THE CHALLENGER

MFK TO START WITH "SEEK" INTERVENTION PACKAGES

MFK will soon start with our biggest program SEEK (Subsidies for Energy Efficiency in Kosovo) which consists of household and apartment building efficiency retrofits intervention packages, through which it will invest in energy efficiency measures and capacity-building for potential energy efficiency service providers to develop efficiency projects and particularly to improve energy audit skills. This is a \$20.6 million activity aiming to make improvements in residential energy efficiency through upgrades to residence thermal envelope, energy efficient equipment upgrades, behavior change to improve energy efficiency and conservation, and greater utilization of more efficient heat sources. Special consideration and attention will be to ensure appropriate health standards are followed following the global outbreak of COVID-19 pandemic.

UNLOCKING \$25 MILLION IN COMMERCIAL FINANCE FOR RENEWABLE ENERGY

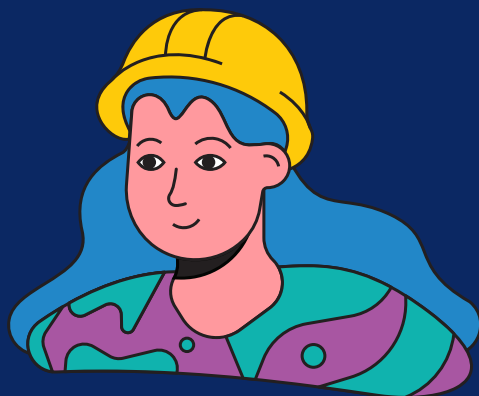
MFK will help Kosovo Credit Guarantee Fund (KCGF) unlock 25 million USD in commercial finance for renewable energy, thus fostering the renewable energy sector in Kosovo. Earlier this year, MFK signed a contract with the Financial Markets International, Inc. (FMI) to commence the implementation of the Renewable Energy Independent Power Producer (IPP) Facilitation Project, supported by the Millennium Challenge Corporation (MCC). This project aims to support KCGF, the Renewable Energy IPPs, as well as local banks by focusing on three complementary interventions to increase solar energy financing.

PROCUREMENT PROCESS TO BE LAUNCHED FOR DISTRICT HEATING METERING ACTIVITY

In efforts to reduce demand on the Prishtina district heating network (Termokos) and support expansion of heat supply services to new consumers, the District Heating Metering Activity will soon enter the procurement process for metering equipment. DHM Activity aims to provide heat metering services to 12,500 apartments in Prishtina that are currently connected to Termokos network, and the estimated grant budget to be invested is between USD 8 million to USD 9 million.

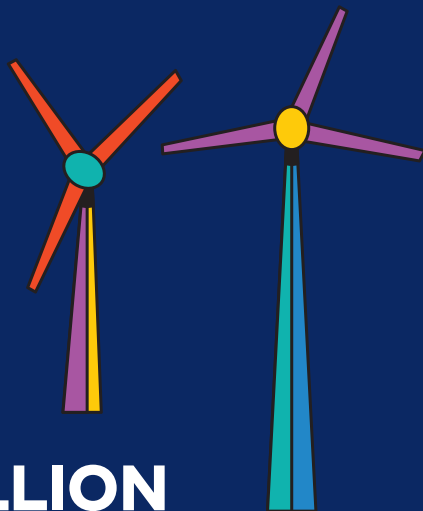


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EQUAL ECONOMIC OPPORTUNITIES IN THE ENERGY SECTOR

As the call for expression of interest for professional internship in the energy sector was launched earlier this year, hundreds of women have shown interest to apply, as well as, many companies and institutions in the energy sector have expressed their willingness to cooperate. A transparent evaluation, selection and placement process will soon take place, as a result of which 200 women will be provided paid internships in the energy sector in Kosovo. This program was paused due to the outbreak of COVID-19 pandemic and MCC pause of investments in Kosovo, but is now resuming fully.



\$2 MILLION FOR WOMEN IN ENERGY GRANTS PROGRAM

Kosovar women entrepreneurs and women-owned businesses will be receiving support to invest in measures that meet their energy demands, for a more efficient use of energy. \$2million is the sum of grants that MFK will disburse through the Women in Energy Grants program for women entrepreneurs. The grants scheme will cover the wide landscape from small-scale projects for individual women entrepreneurs to bigger investments in medium to large women-owned businesses.

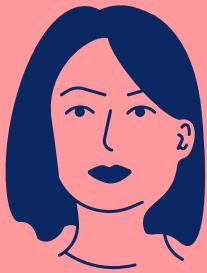
#DIGDATAKOSOVO —AN OPEN DATA CHALLENGE TO BRING ABOUT DATA-DRIVEN DECISION MAKING IN KOSOVO

MFK will disburse the funds for 4 NGOs that have won the competition launched in 2019 on best solutions to mitigate risks related to air pollution, through usage of governmental and other open data resources on air pollution.

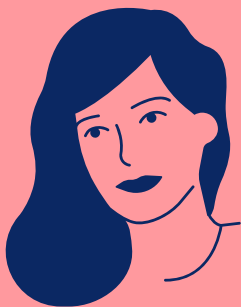


↓ WOMEN IN ENERGY TESTIMONIALS

Last year the Millennium Foundation Kosovo has provided full scholarships for 28 women to study in USA for degrees in energy-related subjects like renewable energy, electric engineering, power plant management, etc. The program #WomeninEnergy was launched by our CEO Petrit Selimi and was supported by a host of high-level fans of the program, including Senator Joni Ernst (R) of Iowa, Rep Eliot Engel (D) of New York, as well as MCC CEO Sean Cairncross. One year after they arrived in Iowa to study in Des Moines Area Community College (DMACC), we asked the women how has their first year of study been. We are sharing here some of their experiences.



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ALBIONA LALINOVC
I enjoy my classes a lot, especially the hands-on ones. You are actually able to put your theory into practice - something we lack in Kosovo - and this active participation is not only building up your knowledge but making you skillful as well.



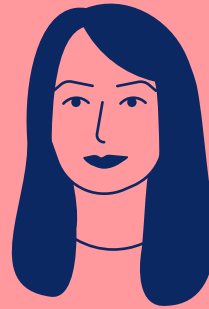
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ENGJELLA HALILI
I am surprised how much love my campus could shower on a foreigner! DMACC made us feel at home, even though most of us have never been further from home. Even the people that I work with in the bookstore, as that is my job here on campus, cooked me a traditional food as 'fli' for Kosovo's Independence Day and they put the Kosovo's flag on my desk.



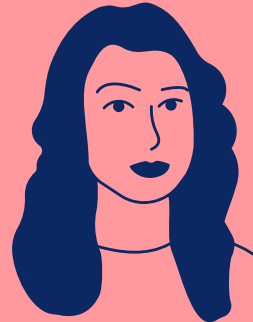
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FJOLLA FAZLIU
After high school, I was struggling with the question whether pursuing a career in STEM would be suitable for me. There were different opinions and perceptions of society regarding this issue, including some who still think women have no role in energy business. But with determination and hard work, I managed to get a degree, therefore I encourage other girls as well to consider pursuing careers in STEM-related fields.



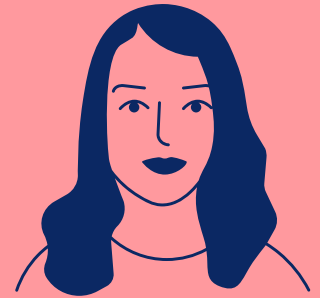
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FJOLLA KOSUMI
Being away from home, or being a woman engaged in a field highly dominated by men, has not been very easy for either one of us, but the encouragement and support we get from people around us is what makes us feel proud, work even harder and move forward.



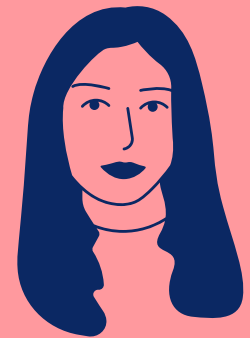
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MIRELA SHALA
What I love about my studies here the most, is the appliance of the knowledge. After each class, there are labs that we need to perform and execute what we have learned and all the labs incorporate real equipment. There is a direct connection between theory and practice.



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PRANVERE SADIKU
This MFK program is exceptional because it helped us with finding and paying a college degree but also found us internship positions as added value. I'm soon starting my internship as an operator at the City of Huxley. I will be involved in both Water Treatment and Waste Water Treatment. This incredible experience will provide me with knowledge in practice and will for sure raise my confidence in this profession.



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TIJANA MIHAJLOVIC
I am thrilled to think about how all this would reflect on my future. Together with 27 women whom I share the same interests and goals we share a dream, of studying here but contributing to our community. I'm happy that there are people who believe in us, encourage us to dream big, and continue to create opportunities for us in our society through such initiatives.



↓
TRINGE KASTRATI
If you walk into one of my classes, even here in the U.S. you can count at most three women. Being a girl studying STEM and energy-related programs makes me one of a few in that small percentage, and the fact that there are 28 of us here makes me feel so empowering and that we can most definitely make a difference in our country. This program has shown Kosovo women want - and can - contribute greatly in male-dominated fields.

#WomeninEnergy Scholarship Program is implemented in partnership with Des Moines Area Community College