



# MILLENNIUM FOUNDATION KOSOVO

**MILLENNIUM FOUNDATION KOSOVO**  
**Minutes of the 15<sup>th</sup> Board of Directors' Meeting**  
**Tuesday, September 28, 2021 at 11:00 AM**  
**via Zoom**

The Board of Directors ("**Board**") of Millennium Foundation Kosovo ("**MFK**") held the 15<sup>th</sup> regular meeting at the above-mentioned date and time for which notice was given on 31<sup>st</sup> of August 2021 in accordance with (i) the Statute of MFK ("**Bylaws**"), and (ii) the Millennium Challenge Threshold Program Grant Agreement 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 Program**").

## **I. PARTICIPANTS**

### **BOARD MEMBERS:**

1. Blerim Vela, Chief of Staff to the President – online
2. Luan Dalipi, Chief of Staff to the Prime Minister – online
3. Mentor Arifaj, Deputy Ministry of Economy - online
4. Berat Rukqiqi, President of Kosovo Chamber of Commerce - online
5. Jelena Djokic, Non-government board member representing Academia/Serbian community- online

### **BOARD NON-VOTING OBSERVERS:**

1. Petrit Selimi, MFK Chief Executive Officer (CEO) – in person
2. Sarah Olmstead, MCC Country Director for Kosovo – in person

**CHAIRPERSON OF BOD:** Blerim Vela, Chief of Staff to the President

**BOARD SECRETARY:** Arta Krasniqi, MFK Legal Advisor – in person

## **II. OPENING OF THE MEETING AND DETERMINATION OF QUORUM**

The Chairman of the Board Mr. Blerim Vela (hereinafter "the Chairman") opened the meeting at 11:07am and requested from the Board Secretary Ms. Arta Krasniqi to confirm the presence of the quorum in order to convene the meeting. Board Secretary by making reference to the requirements stipulated under whereas Section 3.12 paragraph b) (ii) of MFK Statute, confirmed the presence of quorum since in the meeting participated five (5) Board Members out of which three (3) government board members and two (2) non-government board members.

## **III. APPROVAL OF THE AGENDA**

The Chairman presented the agenda for the meeting and invited all board members to declare themselves if they agree with its content and/or if they have any proposals to include in the agenda.

Since no additional agenda items were proposed by the Board, the Chairman called for a vote to approve the agenda. All five (5) Board members present at the meeting approved the agenda by a unanimous vote.

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A handwritten signature in blue ink, appearing to be the initials "AK".

#### **IV. DISCUSSION AND APPROVAL OF AGENDA ITEMS**

##### **1. Confirmation of approval of the minutes of 14<sup>th</sup> Board meeting**

Chairman of the Board, he invited Board Secretary to provide the background with regards to the minutes of the last MFK Board meeting. The Secretary explained that the minutes of the 14<sup>th</sup> Board meeting held on June 25, 2021, were sent to the Board for their review and approval via email. As the Board confirmed to have received the draft minutes in due course, the Chairman of the Board called for a vote to approve these minutes. All five Board members present at the meeting approved the minutes of the 14<sup>th</sup> Board meeting by a unanimous vote.

After discussion, following resolution was passed:

“RESOLVED THAT: Minutes of the 14<sup>th</sup> MFK Board meeting held on June 25, 2021 are approved by the Board and shall be co-signed by the Board Secretary and the Chairman of the Board and shall be published in MFK website.”

##### **2. Ratification of Board decision via email dated June 28, 2021 approving the QDRP 14;**

Following the approval of QDRP 14 via e-mail by the Board, the Chairman called for a vote to approve the ratification of such decision in this meeting. All five Board members present at the meeting approved the ratification of this decision by a unanimous vote.

##### **3. Ratification of Board decision via email dated September 22, 2021 approving extensions of term and additional services for the following other agreements for consultancy, goods and services:**

- Pilot Incentives for Household Investments in Energy Efficiency (Implementing Consultant: JV: GFA & HPC);
- Program Management Services for Renewable Energy IPP Facilitation Project (Implementing Consultant: FMI);
- Other consulting and non-consulting service agreements including framework contracts and contracts for goods that require term extension;
- Increase of contract value for MFK Individual Consultant/Project Support Specialist under SEEK Project.

Following the approval via e-mail of extensions of term and additional services of the above listed agreements for consultancy, goods and services, the Chairman called for a vote to approve the ratification of such decision in this meeting. All five Board members present at the meeting approved the ratification of this decision by a unanimous vote.

##### **4. Presentation and approval of QDRP 15 for Program Quarter 17 covering the period October-December 2021**

Chairman of the Board invited the MFK Director of Administration and Finance Ms. Anila Statovci Demaj to present the QDRP15 for Program Quarter 17. Ms. Statovci added that the supporting documents for this QDRP have been duly submitted to the Board prior the meeting for their consideration. She provided a brief presentation on the QDRP 15 which will cover the commitments and cash disbursements for October-December 2021 period. After the presentation, the Chairman requested from Ms. Statovci that in the

upcoming meeting to prepare a document showing the progress in previous quarters in order for the Board to see how and compare the performance of previous 16 Program Quarters with the current one. Ms. Statovci stated for the next quarters will prepare such document in order for the Board to better understand the financial performance of the MCC grant provided under the Threshold Program Agreement. As there were no more comments and remarks from the Board, the Chairman invited Board members to vote for approving the QDRP15 presented by MFK DAF. All five (5) Board members present in the meeting approved the QDRP 15 by unanimous consent.

Following Board's approval of QDRP 15, Ms. Statovci informed the Board that Disbursement Request Form will need to be signed by the Chairman of the Board, MFK CEO and MFK Fiscal Agent and is subject to MCC's final approval through No-Objection.

“RESOLVED THAT: QDRP 15 is duly approved by the Board and shall be submitted to MCC for final approval through No-Objection. Disbursement Request Form shall be signed by the Chairman, MFK CEO and MFK Fiscal Agent after this meeting.”

#### **5. Presentation by MCC Country Director for Kosovo - Sarah Olmstead and MFK CEO – Petrit Selimi on the overall implementation of Threshold Program**

The Chairman of the Board invited MCC Country Director for Kosovo Ms. Sarah Olmstead to provide a short presentation on the key developments of the Threshold Program during quarter 15. MCC Country Director for Kosovo Mr. Olmstead thanked the Board for their participation in the meeting stating that its role is crucial and critical for the governance of the Threshold Program. She emphasized that there is only one year left from the closing date of the program. Further she added that MFK is actively using work planning on weekly basis so that everyone is on the same page in order for the program milestones be reached. She added that MCC is looking forward to the sustainability of the program after program closure. Therefore, MCC and the Government will need to discuss the matter of the transfer of the learning from pilot projects, systems and the ownership of the projects to the Government of Kosovo (“GoK”) to ensure continuation of this support.

Ms. Olmstead gave the floor to MFK CEO Mr. Petrit Selimi to continue with presentation of this agenda item. Mr. Selimi added that t has been a hectic quarter. He informed the Board that all MFK staff and consultants have been vaccinated with Covid-19 vaccines and that MFK has been following both CDC guidelines as well as the GoK guidelines on the preventive measures from the pandemic, yet most of the staff and consultants are coming physically in the office. Further he added that the focus on this quarter were the contract extensions as a result of extension of the term of Threshold Program Agreement. On this occasion, Mr. Selimi expressed his gratitude from the Board for approving the extensions of term and additional services of MFK contractors in order to allow continuation of programs and activities under the Threshold Program. He added that most of the contracts required only term extension except for some of which required additional services by the implementing contractors not otherwise foreseen under their current scope of work. He thanked MFK lawyer Ms. Arta Krasniqi and MCC lawyers who have worked hard on materializing all extensions of these contracts in due course.

#### **6. Short presentations on the Threshold Program projects and activities delivered by project director and activity managers**

##### **6.1 Presentation on Reliable Energy Landscape Project**

The Chairman of the Board invited the MFK Energy Director Mr. Burim Hashani to provide a brief presentation on the Reliable Energy Landscape Project (“RELP”). Mr. Hashani informed the Board that

REL P comprises of three major activities: (i) Pilot Incentives for Household Investment in Energy Efficiency; (ii) District Heating Metering Activity; and (iii) IPP Finance Facilitation Activity.

#### 6.1.1 Pilot Incentives for Household Investment in Energy Efficiency

Mr. Hashani started the presentation on the key developments of the REL P program during this quarter. He added that currently MFK is trying to wrap-up the 1<sup>st</sup> iteration under the HER Intervention Package (“IP”) in which MFK has selected 500 households in six regions in Kosovo for which 6 contractors have been hired by MFK to implement the energy efficiency measures into these selected houses.

He emphasized the pilot nature of the P IEE project whereas out of 500 houses only 250 are actually being retrofitted due to the lack of interest from the owners to accept them. Therefore, the lessons learned from this HER IP 1<sup>st</sup> iteration is very useful for the 2<sup>nd</sup> iteration to improve the approach taking into account the low socio-economic status of prospective beneficiaries of the grants. We will continue with the same base level of the MFK grant is 50%, female headed households and minorities will be offered 60% grant, pensioners and those living alone 70% and beneficiaries under social assistance scheme will be offered with 90% grant. Other changes in this iteration involve the selection of Qualified Installers and unlike in the 2<sup>st</sup> iteration that these companies were contracted by MFK, in the 2<sup>nd</sup> iteration, there will be an open call for all interested companies who meet simplified criteria and undergo a test and training, sign a Code of Conduct in order to get qualified by P IEE Implementing Consultant.

In regards to Apartment Buildings Energy Retrofits – AER IP, Mr. Hashani informed the Board that MFK has selected 25 apartment buildings in seven (7) selected municipalities around Kosovo (Prishtina, Gjakova, Mitrovica, Lipjan, Viti, Graçanica, Novobërdo). Currently, eight (8) Multi-Apartment Buildings in Lipjan Municipality, four (4) in South Mitrovica Municipality and one (1) in Novobërdo Municipality are being renovated with energy efficiency measures by MFK selected contractors.

#### 6.1.2 District Heating Metering Activity

Mr. Hashani informed the Board that the tender for the Supply, Installation, Maintenance of relevant equipment and services for the introduction of consumption-based heat metering and thermostatic heating valves in Prishtina District Heating Company “Termokos” was published in March 2021 and during this process MFK has provided two rounds of 150 clarifications to prospective bidders which resulted in submission of 10 bids. The technical evaluation of bids for this procurement is completed, however due to bid protests received and MFK’s decisions brought in response to these protests, the bidders have appealed our decisions at MCC. Therefore, until this process is completed, MFK cannot proceed with opening of financial offers and contract award. Further, he informed the Board that MFK will soon enter into co-funding agreement with the Municipality of Prishtina to financially support the interventions in Termokos.

#### 6.1.3 Independent Power Producers (“IPP”) Finance Facilitation Activity

Mr. Hashani informed the Board on the selection of the implementing consultant – an American company “Tetra Tech” for the IPP and Energy Efficiency Project Accelerator and Pipeline Development. Their role will be to support Kosovo Credit Guarantee Fund (“KCGF”), the private sector, the banking sector in developing the pipeline that will use the product “Renewable Energy Guarantee Window” which will lower the risks of the banks in providing loans to businesses for their energy efficiency projects. Parallely MFK is working on the demand side of finance facilitation within KCGF, with FMI which is providing consultancy services for MFK, and with the joint efforts to establish the Renewable Energy Guarantee Window. Also, MFK is assisting KCGF in securing the necessary guarantee capital which will be used to provide guarantees under this window. Moreover, Tetra Tech will conduct the marketing of this product, standardizing all the documents which the private sector will use to become more bankable in order to apply for loans at the banks which will subsequently be put under KCGF’s guarantee.

## **6.2 Presentation on Transparent and Accountable Governance Project:**

### 6.2.1 Environmental Data Collection Activity

The Chairman invited the activity manager of Environmental Data Collection Activity Mr. Agron Kelmendi to provide a brief presentation for the Board. Mr. Kelmendi informed the Board that the project that he runs was supposed to be completed in September 2021, yet due to the delays with Covid-19 pandemic some of the activities were postponed which created a need for the extension of term in project implementation. As per the results that were achieved so far on this project, he mentioned the Air Quality Monitoring System (“AQMS”) Network which is functional, feeding with real time data and reporting automatically to European Environment Agency; also, the Air Quality Portal is functional, the short-term forecasting is available. In addition, the Emission Inventory and AQ Modelling has been handed over to KEPA, whereas the Health Advisory component has been functionalized and is embedded in the NIPH Portal. What remains to be completed is the closing of National Awareness Campaign and the final training on heavy-metal analysis of the KHMI staff.

Mr. Kelmendi conclude that 98% of the activities under the Environmental Data Collection activity are successfully implemented. In the next two months, the MFK will commence with handover process to main project beneficiaries: NIPH, KHMI, KEPA. Lastly, Mr. Kelmendi informed the Board that there will be a need for the extension of services of MFK consultant for 3-6 months period in order to allow the GoK to prepare for an external to be engaged to ensure continuity of the project once it is handed overed to local institutions.

MFK CEO informed the Board that Ms. Olmstead has sent a letter to the Ministry of Environment on the necessity for Kosovo government institutions to ensure the long-term sustainability of MCC’s investments in hardware and software in KHMI will have to be maintained through Kosovo’s budget following the closure of this project. Therefore, the procurement processes of the GoK in this regard have to be completed within six months in order for these hardware and software investments to continue their operability.

### 6.2.2 Public Access to Judicial Information (“PAJI”) Activity

With the permission of the Chairman of the Board, these two activities were presented by the MFK CEO Mr. Selimi added that the main objective of the PAJI activity is to create an online platform for the public to access their personal case information and statistical data generated by the case management information system (“CMIS”). As an end result from this activity, all judicial decisions made public, enabling better transparency of the judicial decisions and fostering peer and public reviews of the decisions. Currently MFK is in the process of engaging relevant services in order to create the two components of this activity: Open Data Platform and Case Tracking Mechanism.

### 6.2.3 Kosovo Open Data Challenge Activity

With regards to the implementation of Kosovo Open Data Challenge Activity, Mr. Selimi added that MFK so far has successfully implemented the following dig data challenges: (i) labor force data; (ii) air quality environmental data; (iii) energy data); and (iv) judicial data which is about to be published soon.

~~The aim of this activity is to foster productive partnerships between the Government, private sector, and civil society, support innovation in data use and analysis, and develop a culture of information sharing and evidence-based decision-making. MFK has awarded grants through a competitive process to individuals or organizations who have had innovative ideas about how to use, analyze, and present data to influence and support the Government’s analytical and public communication needs.~~

## 6.3 Presentation on Gender and Social Inclusion related activities

The Chairman invited Ms. Violeta Krasniqi Rexha to provide a brief presentation for the Board on Gender and Social Inclusion related activities within the Threshold Program. Ms. Rexha stated that gender and

social inclusion is mainstreaming throughout of the Threshold Program. She highlighted three main activities:

- (i) Ensuring Equal Economic Opportunities in the Energy Sector which aims to upgrade the skills and education of women in Kosovo to be competitive in this sector. Through this activity 420 women entrepreneurs benefited through technical assistance and grant incentives from WEE Program.
- (ii) Women in Energy Internship Program for Kosovo's women which includes six months paid internships in energy related companies and institutions in Kosovo. The end result of this activity is that 200 interns were placed in various hos institutions in the energy sector. In most of the cases as subject to the performance of the interns, these women were offered regular employment after completion of internship.
- (iii) Women in Energy Scholarship Program in which MFK has selected 28 women scholarship recipients to study energy related subjects in DMACC College in Iowa, U.S. 27 scholarship recipients have successfully completed a two-year program, obtained a degree and have returned to Kosovo with sufficient knowledge and experience to join the energy sector in Kosovo.

#### **7. Approval of amendments to MFK Procurement Plan**

Ms. Statovci explained to the Board that the proposed amendment to MFK Procurement Plan includes only one change that is a new procurement for engaging an individual consultant for closure of the Threshold Program and preparation of the closure strategy. The terms of reference for this procurement have been prepared and duly approved by MCC and it requires also Board approval in order to proceed with the publishing and selection process.

As there were no comments or remarks by the Board members present in the meeting, the Chairman of the Board called for a vote to approve this motion. All five Board members present at the meeting approved the proposed amendment to MFK Procurement Plan by a unanimous vote.

“RESOLVED THAT: proposed amendment to MFK Procurement Plan is approved by the Board.”

#### **8. Presentation and approval of amendments to MFK Fiscal Accountability Plan**

Ms. Statovci explained to the Board that the proposed amendment to MFK Fiscal Accountability Plan (“FAP”) includes only one change. The need for amending the FAP came as a result of new guidelines issued by MCC applicable for all MCAs on treating non-procurement purchases such as advertisements, travel costs, items that cannot be purchased through regular procurement, utilities such as electricity, water etc. Therefore, through this amendment MFK has included the MCC's requirements on treating the non-procurement purchases and therefore is seeking Board approval for such changes to FAP.

As there were no comments or remarks by the Board members present in the meeting, the Chairman of the Board called for a vote to approve this motion. All five Board members present at the meeting approved the proposed amendment to MFK FAP by a unanimous vote.

“RESOLVED THAT: proposed amendment to MFK Fiscal Accountability Plan is approved by the Board.”

## 9. Presentation and approval of version 4.0 of MFK Monitoring and Evaluation Plan

Chairman of the Board invited MFK Monitoring and Evaluation Specialist Ms. Genta Agaj to present the proposed changes to the MFK's M&E Plan. Ms. Agaj provided a brief overview on the process of development of M&E Plan. She explained that MFK is required to develop this plan conform the MCC's Policy for Monitoring and Evaluation. Further, she explained that M&E Plan serves as a guide for program implementation and management, so that MFK management staff, board, program implementers, beneficiaries, and other stakeholders understand the progress being made toward the achievement of objectives and results, and are aware of variances between targets and actual achievement during implementation.

The M&E Plan (i) describes the program (project) logic and expected results; (ii) sets out data reporting processes the parties responsible for collecting the data, reporting requirements (data) and quality control procedures; (iii) defines indicators, identifies data sources, determines frequency in order to define how performance and results will be measured, as well as, sets yearly targets and end-of-program targets for each indicator.

Ms. Agaj informed the Board that the M&E Plan is designed to evolve over time, adjusting to changes in program activities and improvements in performance monitoring and measurement. She presented proposed changes to Version 4.0 of M&E Plan which included the following:

(i) RELP and TAG project logic was updated; (ii) RELP and TAG indicators reviewed and modified. Main changes include: 20 new indicators added; 12 retired indicators; 37 existing indicators redefined. She added that this version has been approved by MCC and requires Board's approval.

As there were no comments or remarks by the Board members present in the meeting, the Chairman of the Board called for a vote to approve this motion. All five Board members present at the meeting approved the proposed amendment to MFK M&E Plan by a unanimous vote.

“RESOLVED THAT: proposed amendment to MFK Monitoring and Evaluation Plan Version 4.0 is approved by the Board.”

MFK CEO Mr. Selimi proposed a motion for Board's approval regarding a request from an international organization “Manifesta” addressed to the Board of Directors seeking support from MFK. He provided a background of such request stating “Manifesta” organization deals with “open data, air pollution data and government transparency” which falls under our Threshold Program “Open Data Challenge Activity”. Further he added that the Minister of Culture, Mr. Hajrullah Çeku has provided a letter of recommendation in support of this organization.

The Chairman of the Board asked MFK CEO to submit this proposal via e-mail and provide a details background on such request in order for the Board to better understand and be able decide on such matter.


Due to the busy schedule of the Government board members, the Chairman of the Board proposed that the rest of agenda items be reviewed and approved via email. Thus, he requested the Secretary to request Board's approval via email for the following agenda items:

- Approval of Call for selection of 7th non-government board member representing CSO/s sector; and
- Approval of request from an international organization “Manifesta” addressed to the Board of Directors seeking support from MFK.


V. ADJOURNMENT

The Chairman of the Board adjourned the meeting at 12:36pm.

Certified by:

 24.12.2021  
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Arta Krasniqi, MFK Board Secretary

Acknowledged by:

 24-12-2021  
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Blerim Vela, Chairman of MFK Board of Directors