

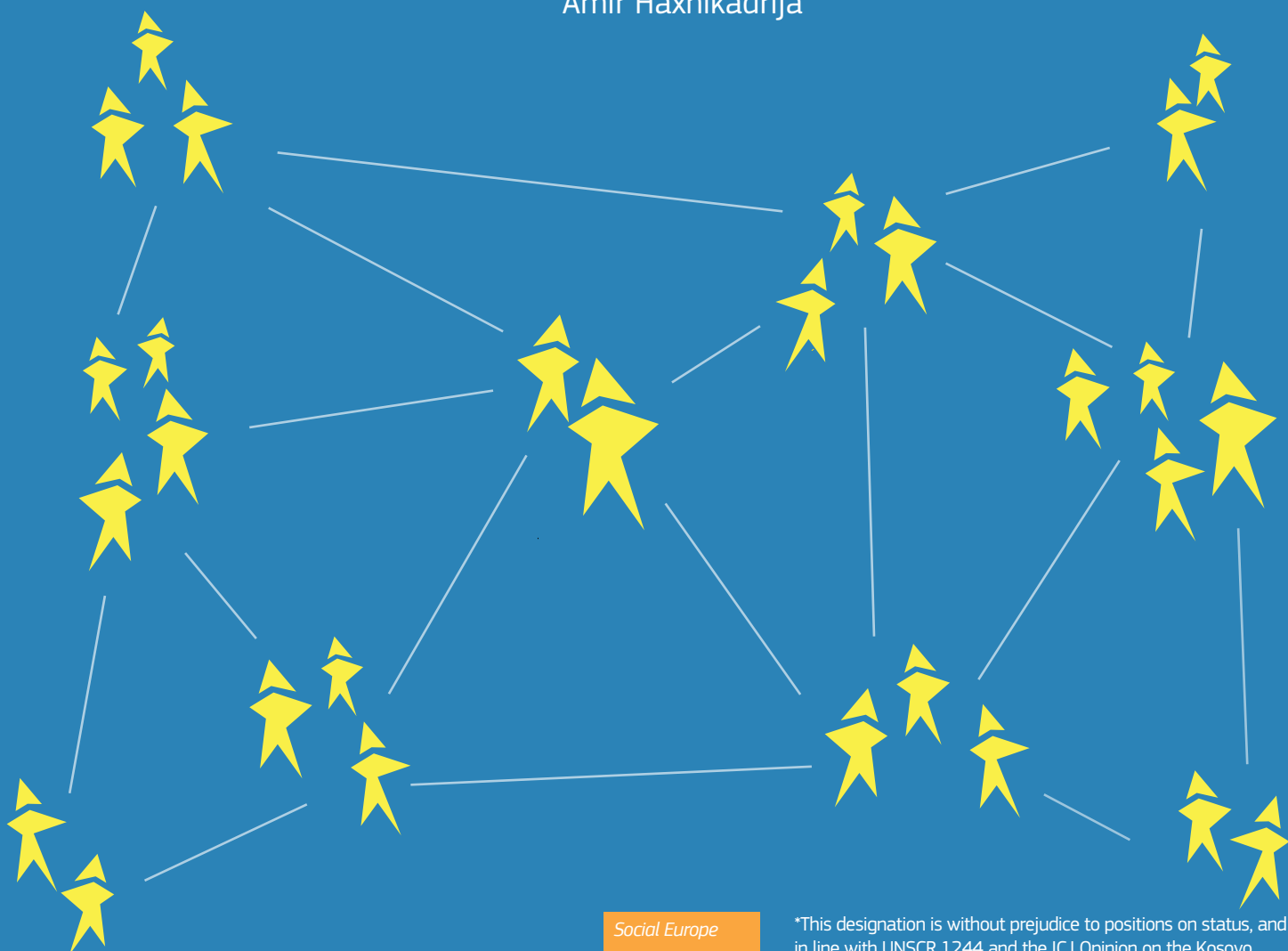


EUROPEAN SOCIAL POLICY NETWORK (ESPN)

# Access to essential services for low-income people

## Kosovo\*

Amir Haxhikadrija



*Social Europe*

\*This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo Declaration of Independence

**EUROPEAN COMMISSION**

Directorate-General for Employment, Social Affairs and Inclusion

Directorate C — Social Affairs

Unit C.2 — Modernisation of social protection systems

Contact: Giulia Pagliani

E-mail: [Giulia.PAGLIANI@ec.europa.eu](mailto:Giulia.PAGLIANI@ec.europa.eu)

*European Commission*

*B-1049 Brussels*

**European Social Policy Network (ESPN)**

**ESPN Thematic Report on  
Access to essential services for  
low-income people**

**Kosovo**

**2020**

*Amir Haxhikadrija*

The European Social Policy Network (ESPN) was established in July 2014 on the initiative of the European Commission to provide high-quality and timely independent information, advice, analysis and expertise on social policy issues in the European Union and neighbouring countries.

The ESPN brings together into a single network the work that used to be carried out by the European Network of Independent Experts on Social Inclusion, the Network for the Analytical Support on the Socio-Economic Impact of Social Protection Reforms (ASISP) and the MISSOC (Mutual Information Systems on Social Protection) secretariat.

The ESPN is managed by the Luxembourg Institute of Socio-Economic Research (LISER) and APPLICA, together with the European Social Observatory (OSE).

For more information on the ESPN, see:

<http://ec.europa.eusocialmain.jsp?catId=1135&langId=en>

***Europe Direct is a service to help you find answers  
to your questions about the European Union.***

**Freephone number (\*):**

**00 800 6 7 8 9 10 11**

(\*) The information given is free, as are most calls (though some operators, phone boxes or hotels may charge you).

## **LEGAL NOTICE**

This document has been prepared for the European Commission, however it reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein.

More information on the European Union is available on the Internet (<http://www.europa.eu>).

© European Union, 2020

Reproduction is authorised provided the source is acknowledged

Quoting this report: Haxhikadrija, Amir (2020). ESPN Thematic Report on Access to essential services for low-income people – Kosovo, European Social Policy Network (ESPN), Brussels: European Commission.

**CONTENTS**

SUMMARY ..... 4

1 OVERVIEW OF NATIONAL/SUBNATIONAL MEASURES AIMED AT SUPPORTING LOW-INCOME PEOPLE IN ACCESSING ESSENTIAL SERVICES ..... 6

    1.1 Definition of “essential services” ..... 6

    1.2 Definition of “low-income people” used in the context of access to services ..... 7

    1.3 Measures for facilitating access for low-income people to services ..... 7

        1.3.1 Access to water ..... 7

        1.3.2 Access to sanitation ..... 10

        1.3.3 Access to energy ..... 11

        1.3.4 Access to public transport ..... 12

        1.3.5 Access to digital public services ..... 13

    1.4 Access to financial services (Directive 2014/92/EU) ..... 14

2 NATIONAL/SUBNATIONAL POLICY FRAMEWORKS AND REFORMS ..... 16

    2.1 National/subnational policy frameworks ..... 16

    2.2 Ongoing or announced reforms ..... 16

        2.2.1 The scheme for subsidising water and sanitation costs ..... 16

        2.2.2 The reform of the Social Assistance Scheme ..... 17

3 A FOCUS ON ACCESS TO ENERGY ..... 19

REFERENCES ..... 22

ANNEX ..... 24

    Table A1: Essential service - Water ..... 24

    Table A2: Essential service - Sanitation ..... 25

    Table A3: Essential service - Energy ..... 25

    Table A4: Essential service – Public transport ..... 26

    Table A5: Essential service – Digital public services ..... 28

    Table B1: Essential services – Summary table ..... 29

## Summary

**Although there is no official definition in Kosovo regarding essential services, energy, water and sanitation receive more consideration from the government.**

Despite the lack of a formal definition of essential services, the government partially subsidises the electricity bill for households under the Social Assistance Scheme (SAS) and is planning to introduce a new scheme to subsidise water and sanitation services for the same beneficiaries. Government assistance is not limited to low-income households – other categories, such as war veterans, war invalids, tetraplegics, blind people or pensioners, also receive government assistance with access to energy and public transport. The eligibility for this assistance is not income related.

**Low-income households have less access to essential services, and for many of them services are not affordable.** Only 84% of the poorest segment of the population (living on less than €1.82 a day) in Kosovo have access to piped water, compared with 92% of average households, and only 46.2% of the poorest quintile are connected to mains sewerage, compared with 93% of the richest quintile. Nearly half of the poorest households in Kosovo do not have access to **both** an improved drinking water source **and** improved sanitation. Around 52% of adults (aged 15 and over) in Kosovo have a bank account; however, this figure is only 44% for the poorest 40%. Low-income households pay 5% of their monthly income for water and sanitation, and 13.4% for electricity. More than half of households in Kosovo are unable to pay their utility bills on one or two occasions during the year, and nearly half of households cannot afford adequate heating.

**Many low-income households in Kosovo are left without assistance by government subsidy programmes.** Most measures to facilitate access to services in Kosovo are targeted at SAS beneficiaries. However, the incidence of payment of SAS does not correspond to the country's poverty profile: the coverage of poor people receiving SAS is very low. According to the latest national (consumption) poverty data, 18% (320,400) of Kosovo's population was living below the poverty line in 2017, but only 6% (106,628) was receiving social assistance. Hence, most people who live below the poverty line are unable to benefit from any government subsidy measures. Furthermore, consumption poverty rates are usually significantly lower than the at-risk-of-poverty rates based on income. The Kosovo Agency of Statistics conducted a survey on Statistics on Income and Living Conditions (SILC) in 2018 in an attempt to produce poverty and social statistics comparable to those of the EU; however, the data are not yet available.

**Reform of the SAS is expected to broaden the base of vulnerable categories that will receive subsidised services.** In September 2019, the Ministry of Labour and Social Welfare drafted a concept document that envisages an improvement in the selection criteria and a new poverty test (focus on SILC data). If adopted, the new scheme will increase the number of beneficiaries from 106,416 to 167,766 and will improve the selection accuracy from 64% to 68%. The reform will also remove disincentives for employment by allowing SAS beneficiaries to continue receiving SAS benefits for a certain period while employed. Consequently, more low-income households, including people living in in-work poverty, will benefit from government measures that provide subsidised access to services.

**Kosovo needs better identification of low-income households and better measures targeted at them, given that modernisation of the energy and sanitation services will increase utility costs for households.** It would require significant government subsidies to maintain the current low cost of energy and sanitation after the large investment in the energy and wastewater treatment sectors. If all costs were passed through to consumers, the increase could have social consequences as bigger bills would be imminent. Hence, the careful identification of vulnerable categories is necessary. Reimbursing low-income households via income transfers could

be more economically efficient than direct subsidies, which distort tariff prices and encourage the overconsumption of services. A more comprehensive means-tested transfer would have to be established to ensure adequate protection for all low-income households.

# 1 Overview of national/subnational measures aimed at supporting low-income people in accessing essential services

According to Principle 20 of the European Pillar of Social Rights (EPSR), everyone should have “the right to access essential services of good quality, including water, sanitation, energy, transport, financial services and digital communications”. Moreover, support for accessing such services should be available for those in need.<sup>1</sup> The importance of ensuring access to essential services is also well established globally in the framework of the United Nations 2030 Agenda for Sustainable Development and its 17 related Sustainable Development Goals (SDGs) which was endorsed in 2015 by all UN countries including all EU countries.<sup>2</sup> This report investigates the extent to which Principle 20 of the EPSR has already been implemented in the six services under scrutiny in Kosovo. The group of “those in need” is restricted in the report to people on a low income and low-income households.

## 1.1 Definition of “essential services”

**Even though Kosovo has not formally defined its list of essential services, limited schemes to facilitate access to services for low-income households are available.** While there is no formal definition regarding essential services in Kosovo, the current legal framework does highlight certain services listed under Pillar 20 of the EPSR that should be accessible and affordable for everyone, regardless of income. The Law on Electricity 05/L-085 recognises the principle of “universal supply service” and calls for relevant government institutions to develop a detailed programme to define “consumers in need” and design appropriate measures to protect them from “energy poverty” (article 49). The Law on Regulation of Water Services 05/L-042 also requires the government to assist low-income households that are unable to pay for water and sanitation services (article 20). The government has accordingly developed a modest assistance scheme to ensure adequate access to energy for households in the Social Assistance Scheme (SAS), and is planning to introduce a similar scheme to assist SAS households with water and sanitation bills.

**In the absence of a formal list of essential services, the government subsidises different services for different categories of beneficiaries.** Based on the Administrative Instruction No. 15/2012, households on SAS receive assistance with the following: coverage of a certain amount of energy utilized; exemption from primary and secondary healthcare payments; free books for primary and secondary education; exemption from payment of semester fees for students; exemption from payment of municipal administrative taxes; and exemption from payment for other utilities. War veterans, war invalids and the families of martyrs are also subsidised for a proportion of their electricity bill and are exempt from healthcare and student fees; however, they also receive subsidised access to public transport. Hence, while access to public transport is considered essential for “war-related categories”, it is not considered relevant for SAS beneficiaries. Looking at the list of subsidised services for all categories, it can be concluded that the government prioritises access to services such as health care and education (though access to these services does not form part of this assessment).

---

<sup>1</sup> The EPSR was jointly proclaimed by the European Parliament, the European Council and the European Commission on 17 November 2017. For more information on the EPSR, see: [https://ec.europa.eu/commission/priorities/deeper-and-fairer-economic-and-monetary-union/european-pillar-social-rights/european-pillar-social-rights-20-principles\\_en](https://ec.europa.eu/commission/priorities/deeper-and-fairer-economic-and-monetary-union/european-pillar-social-rights/european-pillar-social-rights-20-principles_en).

<sup>2</sup> The SDGs and their targets seek to realise the human rights of all, by promoting an integrated notion of sustainable development aimed at creating synergies between economic, environmental and social policies and objectives. For more information on the SDGs, see: <https://www.un.org/sustainabledevelopment/sustainable-development-goals/>.



## 1.2 Definition of “low-income people” used in the context of access to services

**Households receiving social assistance are the only income-related category that is targeted by government measures for access to essential services.** Most programmes that facilitate access to services in Kosovo target SAS beneficiaries. The Administrative Instruction No. 15/2012 calls for payment of a certain amount of energy utilized for all SAS households, and the Prime Minister’s decision KNMU/K/07/2018 calls for the introduction of a similar scheme to facilitate access to water and sanitation services for the same beneficiaries. Directing the limited government resources to SAS households is justified (but not sufficient), given that SAS remains the only programme in Kosovo targeted at the poor and geared toward poverty reduction. SAS combines a categorical eligibility criterion with a means test. In category I, all household members must be either incapable of work or not of working age, while category II includes families where one member is able to work (but is unemployed) and where there is at least one child under the age of five, or where the family is the permanent guardian of an orphan under the age of 15.

**A large proportion of low-income households that are not part of SAS do not receive assistance.** According to a recent World Bank (WB) report (2019), the coverage of poor people by SAS is very low: in 2016, up to two thirds of the poorest quintile did not receive any SAS benefits (WB, 2019). The same report reveals that the SAS incidence does not correspond to the country’s poverty profile. According to the poverty data from 2015, poverty is highest among the occasionally employed (26%), women (24%), the disabled (24%) and households with three or more children (22%). However, these figures are not reflected in SAS beneficiaries: for example, only 10% of households with three or more children receive SAS (ibid.). Similarly, 21% of families that have five members are poor, but only 7% of them receive SAS (ibid.). There is also a high in-work poverty rate in Kosovo (15.2% in 2017),<sup>3</sup> mostly among the self-employed, women and low-educated workers (ESPN, 2019). The government does not provide any assistance to those whose basic income leaves them poor and vulnerable.

**Statistics on Income and Living Conditions will help monitor income poverty and social exclusion.** The Kosovo Agency of Statistics (KAS) conducted a survey on Statistics on Income and Living Conditions (SILC) in 2018; in future, then, poverty will be measured against a benchmark – set at 60% of median income – and that will allow additional indicators to be produced that will help with the monitoring of income poverty and social exclusion.

**Other, non-income-related categories, receive government assistance with access to services.** The Ministry of Labour and Social Welfare (MLSW) also subsidises electricity for specific groups, such as: war veterans, war invalids, the families of martyrs, paraplegics, tetraplegics and blind people. Furthermore, “war-related categories” and pensioners also receive subsidised access to public transport. However, the main criterion for their exemption is not income related, although many of the beneficiaries in these categories may be in the low-income range.

## 1.3 Measures for facilitating access for low-income people to services

### 1.3.1 Access to water

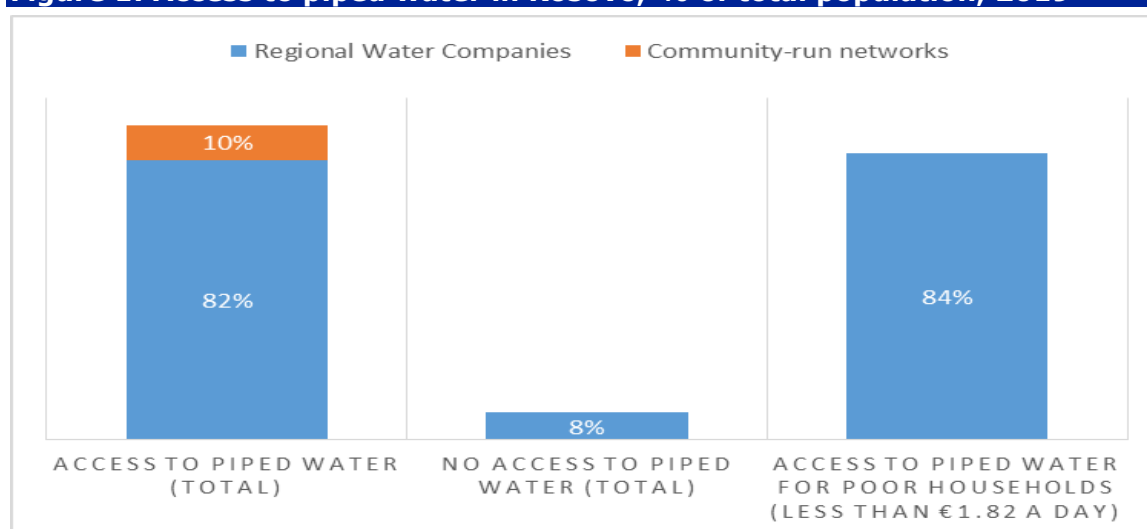
**The majority of households in Kosovo have access to safe water.** Significant reforms were introduced in the water sector in Kosovo in the early 2000s, resulting in the creation of seven regional water companies (RWC), overseen by an independent economic regulator – the Water Service Regulatory Authority (WSRA). These reforms, coupled with significant investment by the donor community, especially in rural areas,

---

<sup>3</sup> Measured on the basis of Household Budget Survey data and not EU-SILC.

put the water services sector in Kosovo ahead of many of its neighbours in terms of its ability to deliver sustainable services for all (WB, 2017). The latest data from the Inter-Ministerial Water Council (IMWC, 2019a) and the World Bank (WB, 2018) reveal that 92% of households in Kosovo have access to piped water. In terms of service providers, as Figure 1 shows, 82% of households in Kosovo are connected to the water network of one of the seven licensed RWCs; 10% of households are supplied by independent municipal-run<sup>4</sup> or community-run networks<sup>5</sup> (mostly in rural areas); and the remaining 8% of households still do not have access to piped water (IMWC, 2019a). Importantly, 84% of the poorest segment of the population (living on less than €1.82 a day) has access to piped water (WB, 2018). The ongoing investment by the government and donors is expected to increase the coverage of households connected to piped water in Kosovo to 95% by 2021 (IMWC, 2019a).

**Figure 1: Access to piped water in Kosovo, % of total population, 2019**



Source: Inter-Ministerial Water Council (2019). Data for access to piped water for poor households from 2018 (WB, 2018).

In terms of drinking water, according to Multiple Indicator Cluster Survey (MICS) data (2014), nearly the entire population (99%) of Kosovo uses improved sources of drinking water.<sup>6</sup> Among the poorest quintile, 95.9% of households have access to improved water. Of these, 86.6% have access on their premises (piped or otherwise); 4.4% have to travel less than 30 minutes to get safe water; and 4.9% have to travel more than 30 minutes to get safe water. The remaining 4.1% of the poorest quintile have access to unimproved water. (MICS, 2014).

**The reliability of water services needs further improvement.** The WSRA reports that in 2018, on average the RWCs supplied water services for 23.9 hours per day (WSRA, 2018). However, a 2019 consumer survey commissioned by the same authority revealed that only 68% of households that were served by licensed RWCs received an uninterrupted water supply in 2019 (WSRA, 2019a).

**Water services for many low-income households are not affordable.** Around 22% of respondents to the WSRA survey believed that tariffs were too high for the current

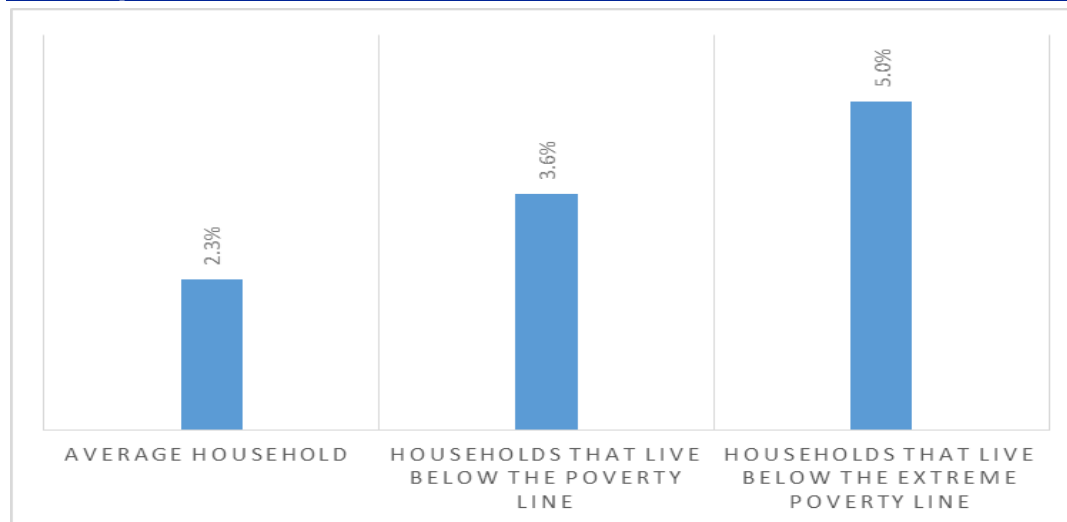
<sup>4</sup> Municipal-run networks are independent municipal systems not integrated into licensed RWCs, mostly in Kosovo Serb municipalities.

<sup>5</sup> Community-run systems are independent systems not integrated into licensed RWCs, either because its users reject integration on tariff grounds or because these systems do not meet the technical standards of RWCs.

<sup>6</sup> Improved water sources include the following types of supply: piped water (into dwelling, compound, yard or plot, to neighbour, public tap/standpipe), tube well/borehole, protected well, protected spring, and rainwater collection.

standard of living in Kosovo (WSRA, 2019a). As Figure 2 shows, the mean water and sanitation bill (households in Kosovo receive a single bill for water and sanitation services) is 2.3% of average household income – a figure that increases to 3.6% of monthly income for those households that live below the national poverty line and to 5% for households living below the extreme poverty line (WB, 2018). According to the United Nations, the cost of water and sanitation services should not exceed 5% of a household's income.

**Figure 2: Mean water and sanitation bill as a percentage of the household's monthly income, 2018**



Source: WB (2018).

**Tariffs could be more affordable if the efficiency of the RWCs were to be improved.** The WSRA is responsible for the economic regulation of the water sector in Kosovo, including tariff setting, the setting of minimum service standards and monitoring of customer protection. Tariffs are set according to a self-financing principle (application of cost-recovery tariffs). The WSRA report reveals that high RWC staff costs and inadequate billing collection rates had an impact on tariffs, and indicates that the WSRA should monitor the (unjustified) staff wages and low collection rates if it wants to bring tariffs down to a more affordable level for consumers (WSRA, 2019b). The current tariff levels burden the budgets of poor households, which are unable to pay the bills. This, in turn, affects the collection rates of the RWCs and has a knock-on effect, leading to increased tariffs (due to the cost-recovery principle).

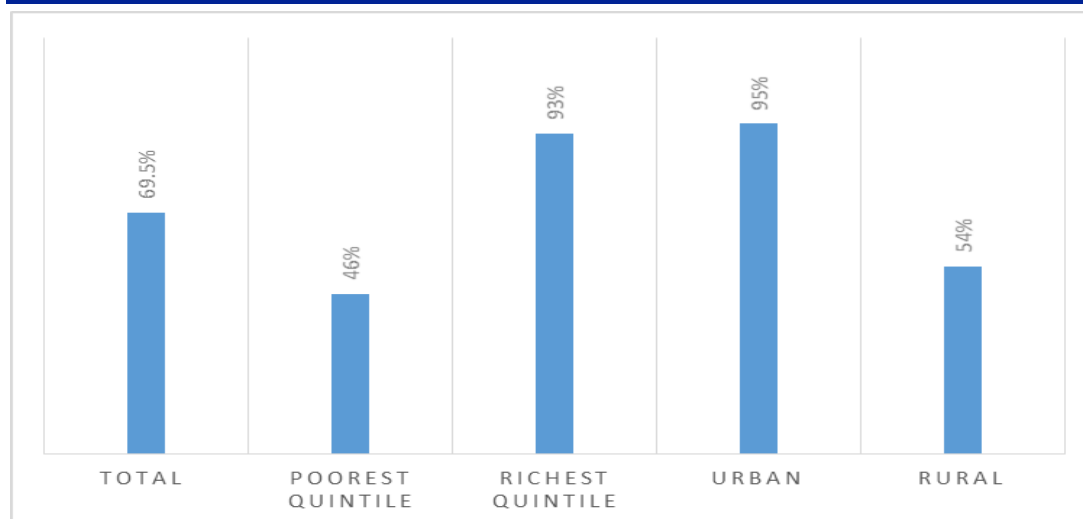
**There is no specific measure to protect consumers by ensuring the provision of basic uninterrupted supply.** Thus, technically the supply should be cut off if bills are not paid. In practice, however, RWCs rarely choose to disconnect households. Instead, they report their "losses" to the WSRA, while at the same time retaining consumer debts, which are registered permanently (they can use bailiffs to enforce the collection of payment at any time). If collection rates by RWCs are low one year, the WSRA will increase tariffs the next year to make up the losses; as explained in the previous paragraph that will render water bills even more unaffordable for low-income households.

**Currently there is no water bill exemption or assistance scheme in place for low-income households; however, a new scheme could be introduced in 2020.** Although the Law on Regulation of Water Services requires the government to assist low-income households to access water and sanitation services, and despite the decision taken by the Prime Minister on 7 December 2018 (KNMU/K/07/2018) to introduce a scheme that will provide direct transfers for water and sanitation services for SAS beneficiaries, the scheme has not yet come into operation. The RWCs have no responsibility or legal opportunity to support low-income households.

### 1.3.2 Access to sanitation

**Nearly one third of households in Kosovo remain unconnected to a sewerage system.** Figure 3 shows that only 69.5% of the population in Kosovo lives in dwellings connected to a piped sewer system (MICS, 2014). Figures are lower among the poorest – only 46.2% of the poorest quintile has access to a piped sewer system (ibid.). The situation is better in terms of access to improved sanitation facilities:<sup>7</sup> 80% of the population of Kosovo lives in dwellings that have access to such facilities (98% in urban and 68% in rural areas). However, this figure is only 65% for the poorest quintile (ibid.).

**Figure 3: Access to piped sewerage in Kosovo, percentage of the population, 2014**



Source: MICS (2014).

**Nearly half of the poorest households in Kosovo do not have access to both an improved drinking water source and improved sanitation.** Access to **both** an improved drinking water source **and** an improved sanitation facility brings the greatest public health benefits to a household. Regrettably, only 77% of the population of Kosovo has both an improved drinking water source and improved sanitation facility (MICS, 2014). The values range from 96% in urban areas to 66% in rural areas. Worryingly, only slightly more than half (57%) of the poorest quintile have access to improved drinking water and improved sanitation, compared with 95% of the richest households (ibid.).

**The wastewater from the sewerage systems is largely untreated.** At the end of 2018, only 0.7% of wastewater from piped sewerage systems in Kosovo was treated, while most was either partially treated or not treated at all (WSRA, 2019b). The donor community is assisting Kosovo in building three additional wastewater treatment facilities, at Gjakova, Peja and Pristina; these should considerably increase the number of households served by wastewater treatment. However, given the complexity of such systems, it will be five years before any significant improvements are seen. Wastewater treatment facilities that meet EU standards will likely mean increased tariffs for consumers, given that such services have high maintenance costs. Hence, a more comprehensive scheme would have to be established to ensure adequate protection for all low-income households.

**Lack of wastewater treatment poses a great health risk for the population.** Since most of the sewage is disposed of untreated, the ground water, which is the main source of water for RWCs, becomes contaminated. The World Bank's Country Environmental

<sup>7</sup> Improved sanitation facilities include: flush or pour flush to a piped sewer system, septic tank or pit latrine; ventilated improved pit latrine, pit latrine with slab, and use of a composting toilet.

Analysis, which used methodologies created by the World Health Organization, estimated that in Kosovo about 13 children under the age of five die every year because of poor water sanitation and hygiene (WB, 2013).

**As with water services, there is no scheme in place to assist low-income households to access sanitation services.** Sanitation services in Kosovo are provided along with water services and are operated by the same licensed RWCs. Consumers receive a single bill that calculates both water usage and sanitation services. Hence, the anticipated assistance scheme for SAS beneficiaries will cover both services.

### 1.3.3 Access to energy

**Access to energy is universal in Kosovo, but supply is still unstable.** The energy network is spread across the country, and practically all households in Kosovo should have access to that network. The legal framework recognises universal supply services; hence, the energy provider must ensure that all requests from households for connection to the network are met, regardless of the distance of the household from the main network and regardless of terrain difficulties. The connection fee depends on the distance of the dwelling from the main connection lines, and it excludes a fee for the metering device, which was the requirement until recently. The energy market is formally liberalised, and consumers can select the provider that offers the most affordable service. However, currently there is only one operator that supplies energy to consumers; this may change in the future, once other providers that are licensed by the Energy Regulatory Office (ERO) begin to operate. The supply is still unstable, and power cuts are frequent. In most cases, the power supply is interrupted unexpectedly and without prior notification of customers.

**The energy tariffs are the lowest in the region, but households pay a higher share of their income than in neighbouring or EU countries.** According to Eurostat, the electricity tariff in Kosovo (€0.06/kWh) is the lowest in the region, and is significantly below the EU-28 average (€0.2159/kWh). Consumers in Kosovo also pay the lowest share of taxes and levies (around 10%) on electricity, compared to neighbouring countries and EU Member States (Eurostat, 2019a). Despite this, Kosovar households that purchased an average amount of electricity (550 kWh per month) in 2015 paid just over 9.6% of their annual income for their electricity (IEEFA, 2016). That is higher than elsewhere in the region. Low- and middle-income families paid 13.4% of their annual income for electricity, and poor families, who purchased a smaller amount of electricity, paid 29.7% of their annual income (ibid.).

**The government operates an energy subsidy scheme for SAS households and other beneficiaries.** The MLSW and the electricity providers in Kosovo each year sign a Memorandum of Understanding (MoU) to subsidise a certain amount of energy utilised by the following categories: SAS beneficiaries, war veterans, war invalids and families of martyrs, paraplegics and tetraplegics and blind people. The annual allowance for all categories is €4.5 million, and the maximum monthly subsidy per household is 300 kWh (that amount of usage plus VAT). All households belonging to the above categories are eligible for the assistance, so long as their energy meters are registered with the municipality where they receive social assistance and so long as they are registered as non-commercial users. When two or more SAS households live in a single dwelling with a single energy meter, the subsidy is provided for each family (e.g. if two SAS households live in a single dwelling, they will be subsidised for up to 600 kWh a month). The same rule does not apply to other categories: for those categories the maximum assistance is 300 kWh per month. The subsidies are paid direct to the energy providers by the MLSW and are retrospective. Every year the MLSW sets aside a certain amount of the budget (less than 1%) for potential complaints from prospective claimants. Currently the MLSW is preparing the list of beneficiaries for the period January–December 2019; these bills will only be paid after the budget of the MLSW for 2020 is approved and the MoU with energy providers is signed (probably around May 2020). The average monthly subsidy in 2018 was €10.61, or 225 kWh per household. The average monthly subsidy for war-

related categories was higher than for SAS households. In total, 35,608 households benefited from the scheme in 2018, of which 23,304 (65%) were households in receipt of social assistance (see Table 1 for a detailed breakdown of scheme beneficiaries).

**Table 1: The electricity subsidy figures in Kosovo, 2018**

Category of beneficiaries	Initial number of households (HH)	Number of complaints upheld	Total households (including complaints upheld)	Total amount (€)	Average monthly subsidy per HH (€)	Average subsidised monthly kWh per HH
Social Assistance Scheme	23,226	78	23,304	2,850,706	10.19	216.4
War-related categories	10,418	24	10,442	1,384,459	11.05	234.6
Paraplegics and tetraplegics	1,267	2	1,269	153,205	10.06	213.6
Blind people	697	139	836	111,630	11.13	236.2
<b>Total</b>	<b>35,608</b>	<b>243</b>	<b>35,851</b>	<b>4,500,000</b>	<b>10.61</b>	<b>225.2</b>

Source: Ministry of Labour and Social Welfare (MLSW).

### 1.3.4 Access to public transport

**Kosovo has one of the smallest railway networks in the region, while its road transport infrastructure is comparable to that of other countries in the region.**

Kosovo has only 333 km of railways – a small amount compared with most countries of the Western Balkans. The railway network is not accessible for a large proportion of the population of Kosovo, due to the long distances required to get to the nearest train station. The number of passengers has been declining steadily since 2011 – from 357,000 in 2011 to 120,000 in 2018 (KAS, 2019a). According to the World Bank, the railway intensity (combined freight tonnage per kilometre and passenger kilometres of travel) is the second lowest in South East Europe, and is only 7% of the average for railways in the EU (WB, 2017). In terms of roads, there are 2,074 km in all in Kosovo, of which 95% (1,979 km) are asphalted (KAS, 2019a). In particular, the network of motorways has increased significantly, from 38 km in 2011 to 119.1 km in 2018 (ibid.). Overall, Kosovo's road transport infrastructure is comparable to that of other Eastern European countries; however, the motorisation rate (number of cars per 1,000 inhabitants) is the lowest in the region – only 153 cars, compared to 310 in Montenegro (Eurostat, 2019b). Households in Kosovo spend around 5% of their income on transport – the figure is higher (6%) for households in rural areas (HBS, 2017).

**The public railway service subsidises “war-related categories”, but it excludes SAS beneficiaries.** The Law 04/L-063 on Kosovo Railways foresees reduced fares for certain categories that use railway services (article 133). According to the law, the beneficiaries of reduced or fully subsidised fares are defined by the government, which should also pay for the scheme. The Ministry of Transport and Infrastructure and the public provider of railway services in Kosovo – Trainkos LLC – have signed an agreement on “Obligation to Provide Public Services 2018–2022”, which (among other things) defines categories that are partially or fully exempt from rail fares. According to this agreement, war invalids, war veterans and the families of war martyrs are fully exempt, while students and pensioners pay only 50%. Households that receive social assistance are not exempt.

**“War-related categories” and pensioners can also travel free on urban transport.** Urban transport in the larger towns is free for “war-related categories” and, in most cases, for pensioners. In Pristina, those categories that travel free include: war veterans (based on the Law 04/L-261 on War Veterans, article 25); war invalids; the

families of war martyrs (based on the Law 04/L-54, article 8); disabled persons; and pensioners (based on the mayor's decision). The beneficiaries of SAS do not travel free, although that could change by decision of the mayor.

**Most inter-urban transport is run by private companies, and they provide reduced fares for certain categories; these are not income related.** According to the Association of Private Transporters in Kosovo, reduced fares for inter-urban travel are available to: the families of war martyrs, students, patients who need specialised and long-term medical treatment in Pristina, members of the Association of Families of Missing Persons, etc. The reduced tariffs offered by private providers are not subsidised by the government and are not based on income.

### 1.3.5 Access to digital public services

**There is high internet penetration and usage in Kosovo.** According to the KAS, in 2019, 93.2% of households in Kosovo had an internet connection from some device or source of internet (KAS, 2019b). In most cases (91.2%), the internet at home was provided through broadband connection, while 36% of users also had access to the internet through mobile devices. The KAS also reported intensive internet usage in 2019, with 90.7% of individuals having used it in the last three months; of those, 87.5% had used it every day in the previous three months, and 84.5% had used it several times during the day. Only 8.1% of individuals in Kosovo have never used the internet (KAS, 2019b). KAS reports that around 85% of individuals have a computer (desktop or laptop) at home (HBS, 2017); however, Eurostat suggests lower figures – only 61% of households in Kosovo had access to a personal computer in 2018 (Eurostat, 2019c). In an increasingly digital world, the lack of access to computers for nearly 40% of households and the lack of an internet connection for 7% of households in Kosovo is worrying, as people who are offline risk falling behind in terms of access to information, services and markets. There are no disaggregated data available on the possession of computers and access to the internet for low-income households.

**The World Bank reports limited access to reliable and high-speed broadband internet in municipalities with a greater concentration of low-income households.** A recent WB report reveals that 42.96% of rural households in Kosovo are not connected to a reliable and high-speed broadband internet infrastructure, and that a third of those households are unlikely to be connected to the network in the near future (WB, 2017). The report reveals that those municipalities that are underserved (or unserved) in terms of internet access contain a higher concentration of households in the bottom 40%. It also highlights the financial-access barriers to existing telecommunications infrastructure for many households, as local household expenditure on communications has been increasing steadily since 2010 and presents an impediment to the uptake of information and communication technology (ICT), particularly for the bottom 40% (ibid.).

**The government is subsidising the distribution of a reliable broadband internet network in deprived rural areas.** The Ministry of Economic Development, assisted by the World Bank, has launched a public-private partnership programme to stimulate geographically consistent broadband rollout and ensure a high-quality broadband service in economically unattractive areas. The areas chosen for the pilots (covering 40 villages with over 2,700 households, 34 schools and 16 health institutions) are located throughout the country and were selected because each had more than 100 households without access to broadband telecom infrastructure.

**Mobile phone penetration is the lowest in the region.** While 99% of households in Kosovo claimed to have at least one mobile phone at home (HBS, 2017), there are only 553 mobile phone subscriptions per 1,000 inhabitants in Kosovo, which is the lowest figure in the region (Eurostat, 2019c). The number of fixed telephone lines has fallen considerably, with the abundance of mobile phone connections.

**Households in Kosovo spent 3% of their income on communications in 2017.** The average annual household expenditure on communication in Kosovo in 2017 was €244 or 3% of the household budget (HBS, 2017). There are no government-funded programmes to subsidise access to the internet or other forms of communication for low-income households.

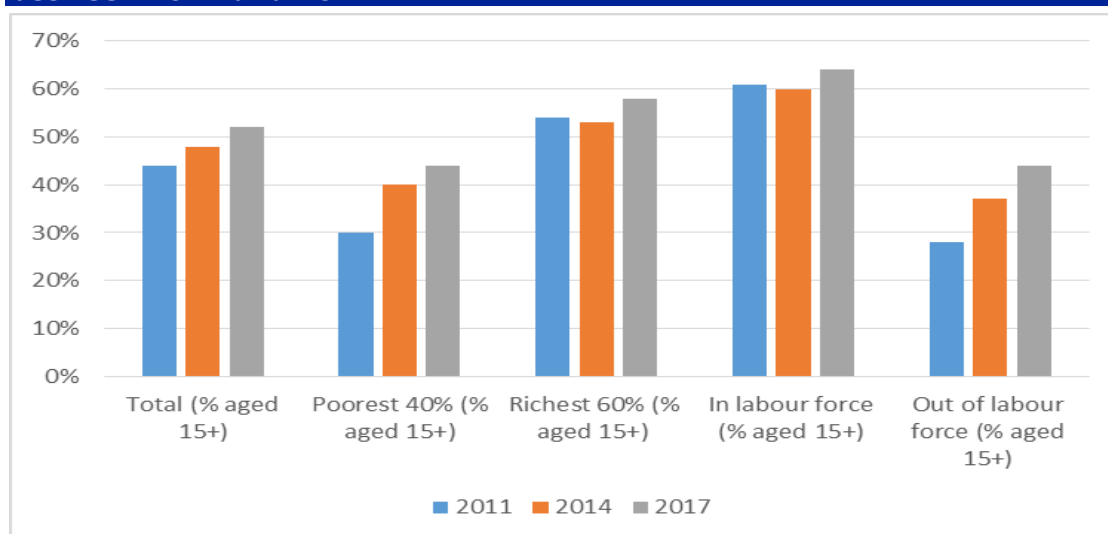
**Use of the internet for accessing public services is low.** Less than 10% of internet users have used the internet to search for information regarding digital public services provided by government agencies, and only 12.3% have downloaded any type of government application form (KAS, 2019b). Less than 5% had submitted these forms electronically to government agencies in 2019. Compared to 2018, there has been a 50% decline in terms of internet use for accessing digital public services and for submitting any official forms for such services (ibid.).

#### 1.4 Access to financial services (Directive 2014/92/EU)

**Generally, there are no restrictions on opening an individual bank account in Kosovo.** Everyone who requires to open a bank account in Kosovo can do so, provided they are residents of the country and are in possession of a valid ID card and a utility bill that is either in their name or in the name of their landlord, and no older than 6 months. If the documents of the applicant are in order, the account is opened and a debit card is provided within 3–14 days (depending on the bank). However, the final decision on whether someone can open an account rests with the commercial banks, and they may, at their own discretion, reject certain applications. The Central Bank of Kosovo has not so far intervened to guarantee the right of all consumers to open and use payment accounts with basic features, as envisaged in *Directive 2014/92/EU*.

**Account ownership continues to grow in Kosovo, but inequalities persist.** According to the WB Global Findex data, 52% of adults (aged 15 and over) in Kosovo had a bank account in 2017, an increase of 8 percentage points (p.p.) since 2011. However, only 37% had a debit card in 2017, still an increase of 8 p.p. since 2011 (WB Global Findex, 2018). As Figure 4 reveals, 58% of adults in the richest 60% of households had a bank account in 2017, while the figure dropped to 44% for adults in the poorest 40%, leaving a gap of 14 p.p. In terms of employment status, 64% of employed adults had an account in 2017, compared with only 44% of those who were unemployed (ibid.).

**Figure 4: Bank account holders in Kosovo, percentage of adult account holders between 2011 and 2017**



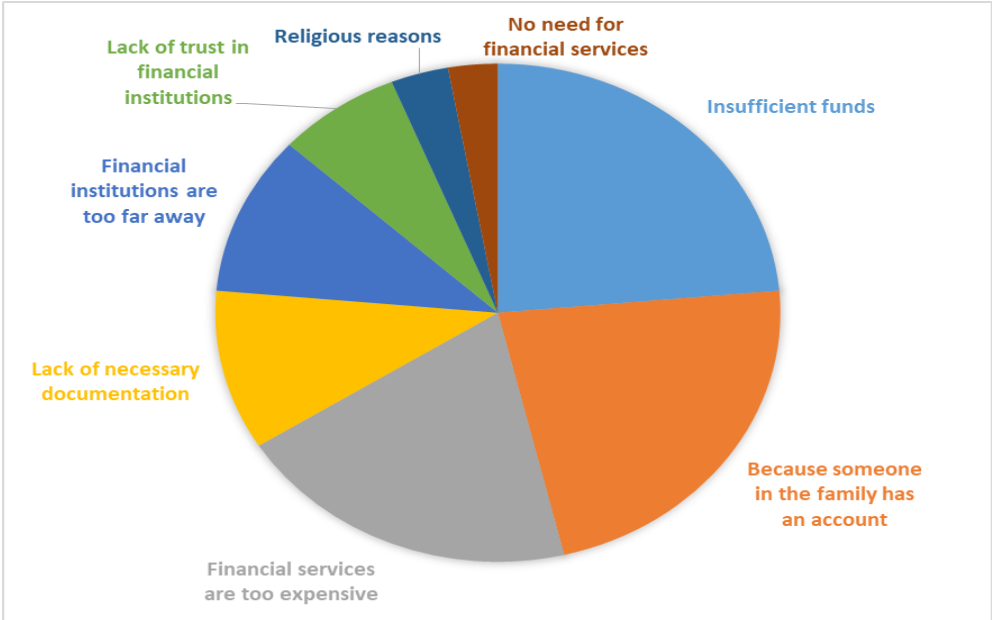
Source: WB Global Findex (2018).

**Inadequate funds and expensive financial services are the main reasons for not having a bank account.** There are many reasons why people remain unbanked in Kosovo. Figure 5 shows that most respondents listed a lack of funds (50%), expensive



financial services (42%) and a lack of necessary documentation (22%) as the main reasons for not having an account (multiple choices). Other important reasons include long travelling distance to the nearest financial institution (22%), lack of trust in financial institutions (15%), other members of the family have an account (48%) and religious reasons (7%) (ibid.).

**Figure 5: Reasons for not having a bank account in Kosovo in 2017**



Source: WB Global Findex (2018).

## 2 National/subnational policy frameworks and reforms

### 2.1 National/subnational policy frameworks

**Current schemes are disparate, small-scale subsidy programmes that are not part of a broader national policy framework to target low-income households.**

The limited schemes that provide subsidised access to energy and public transport, and the anticipated scheme to subsidise water and sanitation services are not part of a broader national framework or strategy to target all low-income households. They are rather disparate schemes that target specific groups, based on different eligibility criteria. Without a clear definition of essential services and a definition of “low-income households”, it is hard to design adequate policy frameworks that are geared towards all households in need. The Social Assistance Scheme aims to reduce poverty through targeted cash transfers and certain in-kind benefits and fee exemptions. However, the scheme has limited coverage and is deemed inadequate, given that it excludes most low-income households. Furthermore, the current government assistance is more generous and comprehensive for non-income-related categories than it is for SAS beneficiaries (e.g. public transport is only subsidised for “war-related categories”).

**Better targeting of low-income households is needed.** The SILC data will be available during 2020 and should be used to design more targeted responses by the government. The current targeting of only SAS households is inadequate and will become more challenging, given that the modernisation of sanitation and energy services is expected to increase household utility costs considerably. Hence, a better identification of vulnerable households is required, and a more comprehensive means-tested transfer needs to be established to ensure adequate protection for all low-income households.

### 2.2 Ongoing or announced reforms

#### 2.2.1 The scheme for subsidising water and sanitation costs

**The government is planning to introduce a programme that will subsidise the basic water and sanitation services for households on SAS.** On 15 November 2018, the Inter-Ministerial Water Council, which operates under the Office of the Prime Minister, took a decision that calls on the Ministry of Labour and Social Welfare and the Ministry of Finance to develop a scheme that will subsidise water and sanitation for all households on social assistance in Kosovo. The decision is based on article 20, paragraph 36 of the Law on Regulation of Water Services 05/L-042, which was explained earlier.

**The new scheme will target the majority of SAS beneficiaries, but households not connected to RWC networks will be excluded.** The IMWC estimates that around 90% of SAS households (22,673 households) in Kosovo are connected to piped water systems operated by RWCs; however, the exact figure will only be known when the MLSW figures on SAS beneficiaries are matched with the RWCs data on registered consumers. Households connected to RWC networks will be the only beneficiaries of the scheme, since the programme is designed to subsidise water and sanitation through direct payment to RWCs. It remains unclear what assistance will be provided to the 10% (or more) of SAS households that are not connected to the RWC networks. Furthermore, many low-income households that are not part of the Social Assistance Scheme will be excluded from the programme.

**The proposed scheme will cover 100% of the basic water and sanitation costs.** The IMWC document suggests that the government should subsidise the cost of 110 litres of water per person per day, which is considered the minimum water usage requirement in most countries. Given that the average SAS household has 4.1 members, the subsidised monthly water allowance per household would be 14m<sup>3</sup> per household, or €7.24 of the monthly bill, based on the fixed monthly fee (€1) and average water and sanitation fees in 2019 (€0.446/m<sup>3</sup>). As shown in Table 2, the total annual amount that

the government will have to reimburse RWCs through this programme will be around €2.2 million.

**Table 2: The forthcoming subsidy scheme for water and sanitation services explained**

Number of SAS households that will benefit from the scheme	Monthly water consumption to be subsidised	The amount of monthly water bill to be subsidised	Total annual costs of the scheme (including VAT)
22,673	14 m <sup>3</sup>	€7.244	€2,128,594

Source: IMWC.

**The scheme will be implemented by the Ministry of Labour and Social Welfare, but it remains unclear whether it will start in 2020.** The proposed scheme will be operated by the MLSW and will be implemented in close cooperation with the RWCs. As with the energy subsidy scheme, the MLSW will pay retrospectively and direct to the RWCs. The IMWC has confirmed that the MLSW requested the budget for implementation of the scheme in 2020; however, the government budget for 2020 has not yet been approved, due to the inability of political parties to form a new government.

### 2.2.2 Reform of the Social Assistance Scheme

**The current Social Assistance Scheme is deemed inadequate and in need of reform.** The scheme is considered inadequate due to: i) limited coverage – it covers only 35% of families in the poorest quintile of the population; ii) gradual deterioration of targeting; iii) problems with implementation and administration due to the selection criteria not being in compliance with the characteristics and needs of households; iv) lack of coordination between the SAS, social services and employment services and non-adjustment of the latter to the needs and profiles of SAS beneficiaries (MLSW, 2019).

**The reform of the Social Assistance Scheme aims to eliminate discrimination in the programme design, to promote inclusion and reduce poverty.** In September 2019, the MLSW drafted a concept document that foresees reform of the SAS's legal framework, improvement of the selection criteria, a new poverty test (focus on SILC data) and use of optimal equivalence scales. These changes are expected to have an impact on poverty reduction from the current 16.3% to 11.5% and on reducing the poverty gap from the current 4.3% to 2.5%. If adopted, the new scheme will increase the number of beneficiaries from 106,416 to 167,766 and will improve the selection accuracy from 64% to 68%. Consequently, the number of households that will benefit from the current energy subsidy scheme and the prospective water and sanitation scheme will increase significantly.

**SAS beneficiaries will be allowed to be employed for a certain period.** The reform will also remove disincentives for employment or participation in activation measures by allowing those SAS beneficiaries who participate in public employment programmes, vocational training, internships, salary subsidies or other government employment programmes to continue to receive their SAS benefits for a certain period of time, depending on the level of salary and the programme in which they are engaged. Hence, SAS – and by default the subsidy schemes that aim to ensure an adequate supply of basic services – will also include people living in in-work poverty for a certain period.

**The MLSW is working on expanding the list of benefits and exemptions for SAS households.** The benefits listed in the concept document include: i) subsidising a certain amount of the electricity bill; ii) subsidising water and district heating bills; iii) exemption from payment of health insurance premiums, co-payments and other payments for healthcare services; iv) exemption from paying for textbooks for children in primary and secondary education; v) exemption from semester fees for students pursuing higher education at public universities; vi) exemption from payment for other municipal services; and vii) exemption from payment of the municipal administration tax. However,

MLSW is still working on the final list of services that will be subsidised for SAS beneficiaries.

**The Social Registry will be developed to enable the integration of services.** The registry will link the new SAS module to other IT systems, such as the civil registry, vehicle registry, agricultural grant and subsidy registry, registry of data in the field of education and health (health insurance fund), social services, employment services, etc. In future, in addition to the SAS, this registry will enable the identification and selection of beneficiaries of other targeted government programmes, such as exemption from premium payments and other healthcare payments, energy subsidies, utility subsidies, etc.

**Implementing the new scheme will require additional resources.** The total annual expenses of the revised scheme are expected to be €50 million, which is an increase of €18 million over the current €32 million expenditure. These costs do not include benefits and exemptions from other payments to which SAS beneficiaries will be entitled.

### 3 A focus on access to energy

**More than half of households in Kosovo are unable to pay their utility bills on one or two occasions in the course of the year, and nearly half of households cannot afford adequate heating.** According to the latest Household Budget Survey (HBS) data (2017), 13% of households in Kosovo were unable to pay their bills (housing, taxes, utility, etc.) once during 2017, while 44% were unable to pay their bills on two occasions during the same year (HBS, 2017). The energy bill is the largest utility bill facing households in Kosovo each month. For 44% of households in Kosovo, budgets are stretched, and any increase in one area of household spending means reducing expenditure on other basic necessities. HBS data also reveal that 43% of households in Kosovo were unable to heat their house adequately during the winter season in 2017 (HBS, 2017). The reform of the Social Assistance Scheme in Kosovo envisages a heating subsidy scheme for SAS beneficiaries; however, the details of the programme will only be worked out after the reform is adopted.

**A recent change in tariff setting has affected low-income households disproportionately.** Until recently, energy bills in Kosovo were calculated on the basis of a progressive scale of charges or “block tariffs” that assigned various tariff rates depending on the quantity of energy used. The tariff for energy consumption of up to 200 kWh (block 1) was the lowest and most affordable. The tariff increased in proportion to the increase in consumption (block tariff 2 for energy consumption of between 200 and 600 kWh; and block tariff 3 for consumption of over 600 kWh). The block-tariff structure was designed on the assumption that low-income households have lower energy consumption, and hence it aimed to maintain household customer prices as low as possible and to make energy affordable for vulnerable consumers. This was achieved by setting prices at below service cost for households with low consumption (up to 200 kWh) and by subsidising these prices through higher tariffs for higher consumption. It also charged different tariffs during the winter and summer months. The system was good for most low-income households, which generally consumed less energy. On 1 April 2017, the Energy Regulatory Office replaced the block-tariff system with a new system, where the tariff remains the same regardless of the level of consumption or season. The new tariff system imposes higher prices on customers with lower consumption (compared to the block option), while favouring customers with higher consumption; this has contributed to an increase in electricity imports, and has subsequently raised the average electricity price for all consumers. As Table 3 shows, households that consume 200 kWh a month now have bills that are between 25% and 42% (depending on the season) higher than under the previous system of block tariffs, while households that consume 1,200 kWh a month, pay 13% less during the winter.

**Table 3: Changes in the electricity bill according to the former and current tariffs**

Electricity bill (without VAT)			
Consumption	Block tariff (former tariff)		Current tariff
	Winter season	Summer season	Tariff value (6.08 cents/kWh)
200 kWh	€10.86	€ 8.44	€ 14.43
400 kWh	€22.77	€ 16.96	€ 26.59
600 kWh	€34.68	€ 25.48	€ 38.75
800 kWh	€51.94	€ 37.85	€ 50.91
1000 kWh	€69.21	€ 50.21	€ 63.07
1200 kWh	€86.47	€ 62.58	€ 75.23

Source: ERO (2019).

**The fund for subsidising electricity has remained the same over the years, while the price of electricity has increased and more categories have been added to the programme.** According to the MLSW, the scheme for subsidising electricity for vulnerable groups has received the same amount (€4.5 million) from the government since 2005. Initially designed to cover SAS beneficiaries, the scheme has been crowded out by other categories, such as war veterans, war invalids, tetraplegics and blind people. While more specific groups have been added to the programme, and despite the increase in the price of electricity over the years, the total amount that the scheme has received from the government has remained the same for more than a decade. This has resulted in reduced assistance in terms of both the number of SAS households receiving the assistance and the amount of assistance received per household.

**Nearly 10% of SAS households were excluded from the energy subsidy programme in 2018.** According to the latest data from the MLSW and the Kosovo Agency of Statistics, the number of households that received social assistance in Kosovo in 2018 ranged from 26,115 in January to 25,345 in December (KAS, 2019c), while the number of SAS households that benefited from the energy subsidy scheme during that was only 23,304. Hence, more than 2,000 SAS households were excluded from the scheme in 2018. The MLSW believes that this could be due to the inability of many SAS households to meet the technical criteria (e.g. SAS households in northern Kosovo are not registered with the Kosovo energy provider, and hence cannot be included in the scheme) or to the lack of information about the availability of the scheme among some SAS beneficiaries.

**The scheme pays bills retrospectively, and that places many SAS households at risk of being disconnected from the energy supply system.** The subsidy scheme (as explained earlier) pays the provider a certain amount of beneficiaries' energy costs retrospectively – up to one year after the actual consumption. The standard procedure of the energy provider is to disconnect all consumers if they are unable to pay the bill within 15 days. The MoU between the MLSW and the energy provider does not state formally whether SAS households that are part of the energy subsidy scheme are excluded from this rule. The MLSW officials confirm that there is an unwritten agreement with the energy provider that they will refrain from disconnecting such households; however, this is an unnecessary burden for SAS households and shows the limitations of the scheme.

**Many low-income households that are not part of SAS (because the eligibility criteria require the household to have no earned income) receive no assistance.** According to the latest World Bank and KAS report on consumption poverty (2019d), 18% of the population in Kosovo lives below the poverty line and 5.1% live below the extreme poverty line (WB, 2019). Among households living below the poverty line, only 8% stated that social assistance was their primary source of income: most of the poor were concentrated in households where the main income source was the private sector (34.7%), per diem work (10.1%) and pensions (15.3%) (ibid.). Those households below the poverty line that do not qualify for SAS (because they have earned income) are therefore excluded from the energy subsidy scheme.

**Plans for building a new coal-fired power plant could affect low-income households disproportionately.** To ensure energy stability and reduce dependency on imported energy, the government is planning to build a new coal-fired power plant. Along with environmental and health concerns, independent studies have shown that the construction of the new power station will also have a financial impact, especially on low-income households. The price of electricity for consumers will rise by around 33%, which means that the share of household income spent on electricity by low-income households will increase to 18%, which would have a significant negative impact on those households (IEEFA, 2016). That would undermine steps to make electricity more affordable to most Kosovars and would keep electricity largely out of reach of the poorest people in Kosovo. It would also have an impact on the already overburdened scheme to subsidise electricity costs, as the current fund would either have to be increased or else benefits would be further diminished.

**Better targeting of low-income households and compensation via income transfers (rather than direct energy subsidies) is deemed more effective.**

Current energy costs are low in Kosovo; however, if the costs are to be kept low after the large investment in the energy sector (either through renewable energy or a new coal-fired power station), significant government subsidies are required (WB, 2017). Without government subsidies, all costs will be passed on to consumers. Hence, particular attention is required to carefully identify poor and vulnerable households, otherwise the energy modernisation that is necessary for the country will have a negative impact on those households. The World Bank believes that compensating low-income households via income transfers would be more economically efficient than direct energy subsidies, which distort relative prices and encourage the overconsumption of energy (WB, 2017). The current mechanism that subsidises electricity costs only for SAS households would be inadequate, as the majority of poor households are excluded from SAS because they fail to meet the eligibility criteria of having no income. Hence, a new, more comprehensive means-tested transfer needs to be established to ensure adequate protection for all low-income households from the anticipated increased electricity tariffs.

## References

- ERO (2019) "Statement of Security of Supply in Kosovo 2019", July 2019 Pristina: Energy Regulatory Office (available [here](#)).
- ESPN (2019) "ESPN Thematic Report on In-work poverty in Kosovo", Brussels: European Commission (available [here](#)).
- Eurostat (2019a) Electricity price statistics, 2019. Retrieved from [here](#)
- Eurostat (2019b) Basic figures on enlargement countries, 2019. Retrieved from [here](#)
- Eurostat (2019c) Enlargement countries – information and communication technology statistics, 2019. Retrieved from [here](#)
- HBS (2017) "Results of the Household Budget Survey 2017", June 2018, Pristina: Kosovo Agency of Statistics (available [here](#)).
- IEEFA (2016) "The Proposed New Kosovo Power Plant: An Unnecessary Burden at an Unreasonable Price", January 2016, Institute for Energy Economics and Financial Analysis (available [here](#)).
- IMWC (2019a) Personal communication regarding access to water and sanitation services, 9 December 2019, Pristina: Inter-Ministerial Water Council
- IMWC (2019b) "Zbatimi i vendimit të Këshillit Ndërmintor për Ujëra për subvencionimin e shërbimeve të ujit për rastet sociale" [Implementation of the IMWC decision to subsidise water services for social categories], March 2019, Pristina: Inter-Ministerial Water Council.
- KAS (2019a) "Statistikat e Transportit në Kosovë 2018" [Transport Statistics in Kosovo 2018] 2019, Pristina: Kosovo Agency of Statistics (available [here](#)).
- KAS (2019b) "Rezultatet e anketës së përdorimit të teknologjisë informative dhe komunikimit në Kosovë 2019" [Results from the survey of ICT usage in Kosovo] 2019, Pristina: Kosovo Agency of Statistics (available [here](#)).
- KAS (2019c) "Social Welfare Statistics 2018", April 2019 Pristina: Kosovo Agency of Statistics (available [here](#)).
- KAS (2019d) "Consumption Poverty in the Republic of Kosovo 2012-2017" May, 2019 Pristina: Kosovo Agency of Statistics (available [here](#)).
- MICS (2014) "Multiple Indicator Cluster Survey 2013-2014", 2018, Pristina: Kosovo Agency of Statistics (available [here](#)).
- MLSW (2019) "Draft Concept Document on Social Assistance Scheme", September 2019, Pristina: Ministry of Labour and Social Welfare (available [here](#)).
- WB (2013) "Kosovo Country Environmental Analysis", January 2013, World Bank (available [here](#)).
- WB (2017) "Republic of Kosovo Systematic Country Diagnostic", January 2017, World Bank Group (available [here](#)).
- WB (2018) "Kosovo Water Security Outlook", June 2018, World Bank (available [here](#)).
- WB (2019) "Kosovo Social Assistance Scheme Study – Assessment and Reform Options" March 2019, Pristina: World Bank Group - Social Protection and Jobs Global Practice Europe and Central Asia Region (available [here](#)).
- WB Global Findex (2018) Global Findex Database. Retrieved on 3 December 2019.
- WSRA (2018) "Annual Performance Report for Water Service Provider in Kosovo in 2018", 2018, Pristina: Water Services Regulatory Authority (available [here](#)).



---

WSRA (2019a) “Hulumtimi i Opinionit të Konsumatorëve për Shërbimet e Ujit në Kosovë” [Consumers Opinion on Water Services in Kosovo], July 2019, Pristina: Water Services Regulatory Authority.

WSRA (2019b) “Niveli i Shërbimeve të Ofruara nga Ofruesit e Licensuar në 2018” [The level of services provided by licensed providers in 2018], July 2019, Pristina: Water Services Regulatory Authority.

## Annex

**Table A1: Essential service – Water**

1) Definition of “low income” used in the context of the delivery of the service in the country:<sup>8</sup>

Social Assistance Scheme beneficiaries.

2) Measures aimed at facilitating access for low-income people to water (for hygiene purposes, to cook...) in the country:

	National (*)	Subnational	
		Regional (only if <i>no</i> for national) (**)	Local (only if <i>no</i> for national) (**)
<b>Reduced tariffs</b>	No	No	No
<b>Cash benefits</b>	No	No	No
<b>In-kind benefits</b>	No	No	No
<b>Advice/training or information services</b>	No	No	No
<b>Provision of a basic/uninterrupted supply</b>	No	No	No

(\*) For each measure: Does the measure exist in the country at national level (“Yes”/“No”)?

(\*\*) **Only** if the measure does not exist at national level **and** if the service is organised at subnational level: Does the measure exist at regional level (Yes in all regions; Yes in most regions; Yes but only in a few regions; No)? And at local level (Yes in all local entities; Yes in most local entities; Yes but only in a few local entities; No)? Important: if a measure exists as a **general social support measure**, not specifically aimed at facilitating access for low-income people, the answer is “No”.

<sup>8</sup> **National definition** used in this context (most frequently used definition if there is more than one definition). **Only if** there is no national definition **and if** the service is organised at subnational level, most common definition used in this context at regional (if any) or local (if any) level.

**Table A2: Essential service – Sanitation**

1) Definition of “low income” used in the context of the delivery of the service in the country:<sup>9</sup>

Social Assistance Scheme beneficiaries.

2) Measures aimed at facilitating access for low-income people to sanitation (i.e. systems for taking dirty water and other waste products away from dwellings in order to protect people’s health) in the country:

	National (*)	Subnational	
		Regional (only if <i>no</i> for national) (**)	Local (only if <i>no</i> for national) (**)
<b>Reduced tariffs</b>	No	No	No
<b>Cash benefits</b>	No	No	No
<b>In-kind benefits</b>	No	No	No
<b>Advice/training or information services</b>	No	No	No

(\*) For each measure: Does the measure exist in the country at national level (“Yes”/“No”)?

(\*\*) **Only** if the measure does not exist at national level **and** if the service is organised at subnational level: Does the measure exist at regional level (Yes in all regions; Yes in most regions; Yes but only in a few regions; No)? And at local level (Yes in all local entities; Yes in most local entities; Yes but only in a few local entities; No)? Important: if a measure exists as a **general social support measure**, not specifically aimed at facilitating access for low-income people, the answer is “No”.

<sup>9</sup> **National definition** used in this context (most frequently used definition if there is more than one definition). **Only if** there is no national definition **and if** the service is organised at subnational level, most common definition used in this context at regional (if any) or local (if any) level.

**Table A3: Essential service – Energy**

1) Definition of “low income” used in the context of the delivery of the service in the country:<sup>10</sup>

Social Assistance Scheme beneficiaries.

2) Measures aimed at facilitating access for low-income people to energy (to light dwellings, heat or cool dwellings, use home appliances) in the country:

	National (*)	Subnational	
		Regional (only if <i>no</i> for national) (**)	Local (only if <i>no</i> for national) (**)
<b>Reduced tariffs</b>	No	No	No
<b>Cash benefits</b>	No	No	No
<b>In-kind benefits</b>	Yes		
<b>Advice/training or information services</b>	No	No	Yes-all
<b>Provision of a basic/uninterrupted supply</b>	No	No	No

(\*) For each measure: Does the measure exist in the country at national level (“Yes”/“No”)?

(\*\*) **Only** if the measure does not exist at national level **and** if the service is organised at subnational level: Does the measure exist at regional level (Yes in all regions; Yes in most regions; Yes but only in a few regions; No)? And at local level (Yes in all local entities; Yes in most local entities; Yes but only in a few local entities; No)? Important: if a measure exists as a **general social support measure**, not specifically aimed at facilitating access for low-income people, the answer is “No”.

<sup>10</sup> **National definition** used in this context (most frequently used definition if there is more than one definition). **Only if** there is no national definition **and if** the service is organised at subnational level, most common definition used in this context at regional (if any) or local (if any) level.

**Table A4: Essential service – Public transport**

1) Definition of “low income” used in the context of the delivery of the service in the country:<sup>11</sup>

N/A.

2) Measures aimed at facilitating access for low-income people to public transport in the country:

	National (*)	Subnational	
		Regional (only if <i>no</i> for national) (**)	Local (only if <i>no</i> for national) (**)
<b>Reduced tariffs</b>	No	No	No
<b>Cash benefits</b>	No	No	No
<b>In-kind benefits</b>	No	No	No
<b>Advice/training or information services</b>	No	No	No

(\*) For each measure: Does the measure exist in the country at national level (“Yes”/“No”)?

(\*\*) **Only** if the measure does not exist at national level **and** if the service is organised at subnational level: Does the measure exist at regional level (Yes in all regions; Yes in most regions; Yes but only in a few regions; No)? And at local level (Yes in all local entities; Yes in most local entities; Yes but only in a few local entities; No)? Important: if a measure exists as a **general social support measure**, not specifically aimed at facilitating access for low-income people, the answer is “No”.

<sup>11</sup> **National definition** used in this context (most frequently used definition if there is more than one definition). **Only if** there is no national definition **and if** the service is organised at subnational level, most common definition used in this context at regional (if any) or local (if any) level.

**Table A5: Essential service – Digital public services**

1) Definition of “low income” used in the context of the delivery of the service in the country:<sup>12</sup>

N/A.

2) Measures aimed at facilitating access for low-income people to digital public services (e.g. digital post, digital fiscal services, digital social security services, digital health care appointments...) in the country:

	National (*)	Subnational	
		Regional (only if <i>no</i> for national) (**)	Local (only if <i>no</i> for national) (**)
<b>Reduced tariffs</b>	No	No	No
<b>Cash benefits</b>	No	No	No
<b>In-kind benefits</b>	No	No	No
<b>Advice/training or information services</b>	No	No	No
<b>Provision of a basic/uninterrupted supply</b>	No	No	No

(\*) For each measure: Does the measure exist in the country at national level (“Yes”/“No”)?

(\*\*) **Only** if the measure does not exist at national level **and** if the service is organised at subnational level: Does the measure exist at regional level (Yes in all regions; Yes in most regions; Yes but only in a few regions; No)? And at local level (Yes in all local entities; Yes in most local entities; Yes but only in a few local entities; No)? Important: if a measure exists as a **general social support measure**, not specifically aimed at facilitating access for low-income people, the answer is “No”.

<sup>12</sup> **National definition** used in this context (most frequently used definition if there is more than one definition). **Only if** there is no national definition **and if** the service is organised at subnational level, most common definition used in this context at regional (if any) or local (if any) level.

**Table B1: Essential services – Summary table**

- 1) Measures aimed at facilitating access for low-income people to the different services that exist at national, regional and/or local level in the country
- 2) Broader policy framework under which all or some of these measures are organised in the country
- 3) Ongoing or announced reforms of the measures and/or related frameworks aimed at (further) enhancing effective access to the service for low-income people in the country

	1. Measures (NAT, SUBNAT, BOTH, NONE) (* )	2. Policy framework (**)		3. Ongoing or planned reforms (Yes/No)
		National (Yes/No)	Subnational (Yes/No)	
<b>Access to water</b>	NONE	No	No	Yes
<b>Access to sanitation</b>	NONE	No	No	Yes
<b>Access to energy</b>	NAT	No	No	No
<b>Access to public transport</b>	NONE	No	No	No
<b>Access to digital public services</b>	NONE	No	No	No
<b>Access to basic financial services (***)</b>	Not applicable			

(\*) This column summarises the response provided in Tables A1-A5 above. "NAT" means that all the measures that exist in favour of low-income people are national measures; "SUBNAT" means that there are no national measures but some of/all the measures that exist are subnational measures; BOTH means a mix of NAT and SUBNAT; "NONE" means that there are no measures, be it at national or subnational level.

(\*\*) Is there a broader national policy framework under which all or some of these measures are organised in the country for some of/all the services under scrutiny ("Yes"/"No")? **Only if** there is no such national framework for one service **and if** the service is organised at subnational level: Is there a broader subnational policy framework under which all or some of these measures are organised for this service ("Yes"/"No")?

(\*\*\*) Open and use payment accounts with basic features (Directive 2014/92/EU).

## **Getting in touch with the EU**

### **In person**

All over the European Union there are hundreds of Europe Direct Information Centres. You can find the address of the centre nearest you at: <http://europa.eu/contact>

### **On the phone or by e-mail**

Europe Direct is a service that answers your questions about the European Union. You can contact this service

- by freephone: 00 800 6 7 8 9 10 11 (certain operators may charge for these calls),
- at the following standard number: +32 22999696 or
- by electronic mail via: <http://europa.eu/contact>

## **Finding information about the EU**

### **Online**

Information about the European Union in all the official languages of the EU is available on the Europa website at: <http://europa.eu>

### **EU Publications**

You can download or order free and priced EU publications from EU Bookshop at: <http://bookshop.europa.eu>. Multiple copies of free publications may be obtained by contacting Europe Direct or your local information centre (see <http://europa.eu/contact>)

### **EU law and related documents**

For access to legal information from the EU, including all EU law since 1951 in all the official language versions, go to EUR-Lex at: <http://eur-lex.europa.eu>

### **Open data from the EU**

The EU Open Data Portal (<http://data.europa.eu/euodp/en/data>) provides access to datasets from the EU. Data can be downloaded and reused for free, both for commercial and non-commercial purposes.



