



**Republic of Kosovo**  
**Republika Kosova-Republic of Kosovo**

**Qeveria – Vlada – Government**

**Ministry of Economy**  
**Ministarstvo Ekonomije**  
**Ministry of Economy**

# **Progress Report**

**For 2023**  
**of the Mining Strategy Implementation, for**  
**the period 2012-2025**

**Prishtina,**

**2024**

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## **I. EXECUTIVE SUMMARY**

The Mining Strategy of the Republic of Kosovo for the period 2012-2025 constitutes the basic framework for defining the mining sector development goals and priorities. The Mining Strategy of the Republic of Kosovo for the period 2012-2025 defines policies and measures for the mining sector development for the benefit of economic development and social welfare.

Monitoring of the implementation of the Mining Strategy of the Republic of Kosovo for the period 2012-2025 is done through the Annual Progress Report.

This report identifies the progress made and identifies the challenges for the non-implementation of certain projects/activities. Consequently, the Annual Progress Report also serves as the basis for the revision of mining development policies, which could be reflected in the revision of the Mining Strategy of the Republic of Kosovo for the period 2012-2025.

The Progress Report for 2023 has been prepared according to the requirements of the Administrative Instruction (AI) 07/18 on the Planning, Drafting and Monitoring of Strategic Documents and Action Plans and is in accordance with Article 73 of the Law No. 03/L-163 on Mines and Minerals as well as Article 44, paragraphs 5, 6, 7 and 8 of the Law No. 04/L-158 on Amending and Supplementing the Law No. 03/L-163 on Mines and Minerals and Chapter 8, paragraphs 8.1 and 8.2 of the Mining Strategy of the Republic of Kosovo for the period 2012-2025.

The Progress Report describes the progress of the implementation of projects, i.e. activities with data from institutions and mining enterprises for 2023 in the framework of the Implementation of the Mining Strategy of the Republic of Kosovo for the period 2012-2025.

The identification of challenges will help to facilitate the work in addressing the issues that can be considered an obstacle to the further development of the sector, and this will help to improve the planning, implementation and closer analysis of cost projection and the time for the implementation of the projects.

The Department of Mines (DM) within the Ministry of Economy (ME) coordinated the drafting process of the Progress Report for 2023, while data from the relevant institutions and the main mining sector enterprises have been used in the drafting of this document, such as ME, ICM, KEK JSC and "TREPÇA" JSC.

Initially, the Department of Mines (DM) drew up a reporting pattern through tables, presenting projects for 2023. The monitoring and reporting pattern is made through tables indicating the names of the projects/activities planned to be implemented during the last years. The tables identify the objectives and actions, the deadline, the funding source, the leading and supporting institution, the output, references to documents, e.g. Government Work Plan (GWP), the National Program for Implementation of Stabilization and Association Agreement (NPISAA) and the implementation progress.

## **1.1.Strategic Objectives of the Document**

Sustainable development and compliance with the mining sector environment are regulated by the Mining Strategy of the Republic of Kosovo for the period 2012-2025, which is based on four (4) basic pillars that will be identified in the Progress Report as strategic goals or objectives of the document.

Strategic goals in this document are identified as follows:

**Strategic Goal/Objective:** Provision of favourable conditions for economic valorization and utilization of mining resources and attraction of investments;

**Strategic Goal/Objective:** Enhancement of human and institutional capacities in the mining sector;

**Strategic Goal/Objective:** Social considerations and community benefits;

**Strategic Goal/Objective:** Environmental care

The achievement of the Strategic Goals/Objectives of the strategic document aims at the implementation of key reforms in this sector by promptly meeting the requirements needed by the strategic goals and objectives. To this end, twenty (20) projects/activities have been implemented in 2023, of which some have been fully implemented and some in part which are described in Annex one (1) below.

## **II. PROGRESS IN THE IMPLEMENTATION OF THE OBJECTIVES OF THE STRATEGIC DOCUMENTS**

The implementation of the measures defined in the Mining Strategy of the Republic of Kosovo for the period 2012-2025 has had a satisfactory impact on the performance of the mining sector, both in terms of increasing production capacities and establishing new and contemporary operational capacities. This has influenced the overall performance growth. Additionally, there has been a completion of the legal framework with necessary bylaws, as well as an increase in institutional capacities for implementing policies in the mining sector.

With a view to monitoring the implementation of the Mining Strategy of the Republic of Kosovo for the period 2012-2025, the Ministry of Economy (ME), respectively the Department of Mines (DM) coordinated the drafting process of the Progress Report, while they received inputs in the course of drafting this document and risks to be addressed in the coming years through concrete measures have been identified. As part of this, cooperation and coordination with the relevant institutions and the key mining sector enterprises will continue to address all the risks they keep facing.

### **II.1. PROGRESS AGAINST OBJECTIVES**

It can be concluded that the delays in the implementation of some planned projects indicate the necessity of taking concrete steps to eliminate the barriers that prevent the development of this sector. The role of the responsible mining sector institutions but also of mining enterprises in the planning of activities and projects is crucial to the success and development of the mining sector.

To this end, institutional capacities should be strengthened through professional training and investments in technology development. Transparency and reduction of bureaucratic procedures also

play an important role in the sector's success. In this regard, institutional opportunities must be created for investors to have easy and quick access to their investment interests by having a clear address where they can direct their requests. Alignment of laws and removal of legal ambiguities, closer and continuous cooperation, research of new opportunities for donations and withdrawal of funds are some of the necessary steps that must be taken in the coming years in this direction.

### **Mineral material manufacturing**

It should be noted that the uniqueness of minerals as economic products lies in the complexity of the economics of mineral materials and the mining business (Vogely, 1985; Strauss, 1986). Minerals are unevenly distributed and, unlike agricultural or forest products, cannot be reproduced or replaced. Therefore, a mineral deposit can be considered as an exhaustible asset, the production of which is limited to the area in which it is located. These factors pose constraints on mining companies in the areas of business practices, financing and production practices. Because mineral assets are constantly being depleted, mining companies must either discover additional reserves or seek them by purchasing them to stay in the mining sector business.

In 2023, as in previous years, most companies dealing with the exploitation of hard stone, sand and gravel were not able to meet their production plans. Based on the analysis, it can be concluded that the main reasons for the failure of these companies are as follows:

- Unrealistic projection of companies in relation to the use and processing of mineral material.
- The lack of company capital to invest in the research phase to avoid failure in the later stages of exploitation due to the poor quality of the ore,
- The high price of energy is causing great difficulties in various mining activities,
- Competition (not always free) and an unstable market for these products,
- Illegal mining activities, etc.

### **2.4. Analysis of problems in the mining sector**

Regarding the problems in the mining industry sector, it is worth noting that the utilization of mineral resources is a challenge accompanied by many issues, whether human, organizational, depreciated equipment, rising energy prices, investment capital, poor management, etc. In addition to these, 2023 has been marked by significant events on the international stage (various wars, economic difficulties-inflation, the impacts of climate change, etc.), which in some aspects have not favoured the mining industry.

The energy enterprise, Kosovo Energy Corporation (KEK), which utilizes the energy mineral resource - lignite, has mainly had a good year with its exploitation activities, and according to reports, there have been no significant problems hindering the mining operation.

The enterprise "Trepça" JSC will open the perspective of its development by increasing production capacities and achieving higher productivity. Despite efforts, this enterprise still faces some past difficulties such as the old age of miners, outdated equipment, etc.

The enterprise "Newco Ferronikeli Complex L.L.C." in 2023, according to reports, did not utilize mineral resources but it is worth noting that this enterprise imported mineral resources from countries outside Kosovo. The enterprise concerned could not transfer control because the board of

the Independent Commission for Mines and Minerals (ICMM) was not functional, despite "Yildirim Kosovo Mining Investment L.L.C." having purchased shares from the enterprise "NKL Limited", which owned and managed "Newco Ferronikeli Complex L.L.C."

The exploitation of non-metal minerals also faces various difficulties that hinder the smooth running of mining activities. The unstable market for mineral resources, and competition due to many operators, create financial problems for enterprises which they struggle to cope with.

In the light of the foregoing, it can be concluded that, as a result of these problems, enterprises have not achieved their production plans in the exploitation of mineral resources for which they held utilization licenses. The annual production planning by enterprises has so far never been realistic, preventing the use of such data for the one-year project plan of mineral resource management. It is worth noting that this year enterprises have started reporting more *realistic plans* for the utilization of mineral resources for the following year, and we hope that very soon we will find ourselves in a much more realistic planning position

## 2.5. Analysis of Problems in the Mining Sector

The planning analysis for the upcoming year has been done by considering the utilization trend of the previous three (3) years for the period 2020-2023. Until the time of making the Project Plan for Mineral Resource Management (end of 2023), enterprises submit quarterly reports: Q<sub>1</sub>, Q<sub>2</sub>, and Q<sub>3</sub> of 2023. From these quarterly reports, the mathematical average for Q<sub>4</sub> is derived, and then for the 2024 planning, the year 2023 is considered as complete.

Based on what was mentioned above, to have an approximate plan for the upcoming year, a chart form named "*Moving Average Utilization*" has been used. This chart enables the planning for the following year for specific mineral resources to be very approximate and represents the most realistic possible state.

### 2.5.1. Production realization for energy mineral resources

Coal (lignite) as an energy mineral is the most important resource of the Republic of Kosovo, as the electricity supply almost entirely depends on this mineral resource. The estimated coal resources throughout the Republic of Kosovo are around 12.5 billion tons, which from an economic aspect are considered profitable to exploit. Currently, the only entity licensed by the ICMM for the exploitation of energy mineral resources is the Kosovo Energy Corporation (KEK), which utilizes surface lignite mining for the country's electricity generation needs. The following table presents the utilization diagrams of coal (lignite) for the years 2020-2023.

| Tabela e gjendjes së rezervave minerale energjetike për vitet 2020-2023 |                          |                |                      |                |                      |                |                      |                |                      |
|---|--------------------------|----------------|----------------------|----------------|----------------------|----------------|----------------------|----------------|----------------------|
| Lënda minerale  | Aktiviteti               | 2020           | Raporti Planifikim - | 2021           | Raporti Planifikim - | 2022           | Raporti Planifikim - | 2023           | Raporti Planifikim - |
| Lignit (t)  | Rezervat e shfrytëzueshm | 142,189,283.00 | 94.87                | 133,653,848.00 | 94.84                | 127,463,822.00 | 91.70                | 164,024,902.60 | 84.40                |
|   | Planifikimi              | 9,000,000.00   |                      | 9,000,000.00   |                      | 9,000,000.00   |                      | 8,310,000.00   |                      |
|   | Rezervat e shfrytëzuara  | 8,537,948.00   |                      | 8,535,435.00   |                      | 8,253,368.00   |                      | 7,013,624.06   |                      |

Tab.7. The state of energy mineral reserves for the period 2020-2023

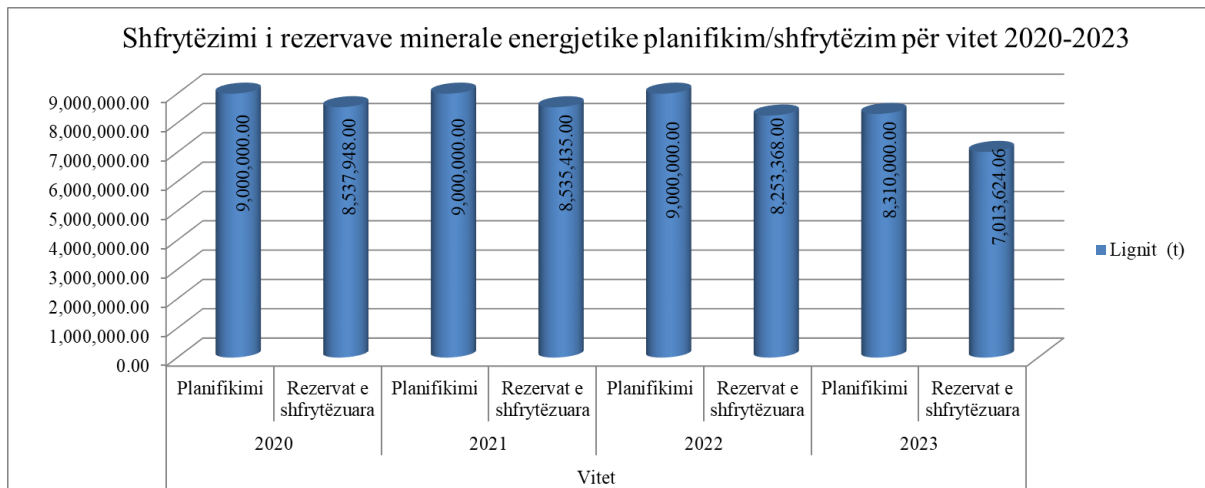


Fig.12. The chart of the state of energy reserves planned and used for the period 2020-2023.

### 2.5.2. Production realization for metal mineral resources

The utilization of metal mineral resources this year, as in previous years, has not gone according to the plans set by the enterprises for many reasons, some of which have been mentioned above in the analysis of the mining sector.

Tab.8. The state of metal mineral reserves for the period 2020-2023

| Tabela e gjendjes së rezervave minerale metalore për vitet 2020-2023 |                           |               |                                 |               |                                 |               |                                 |               |                                 |
|--|---------------------------|---------------|---------------------------------|---------------|---------------------------------|---------------|---------------------------------|---------------|---------------------------------|
| Lënda mineral e  | Aktivitetit               | 2020          | Raporti Planifikim - Shfrytëzim | 2021          | Raporti Planifikim - Shfrytëzim | 2022          | Raporti Planifikim - Shfrytëzim | 2023          | Raporti Planifikim - Shfrytëzim |
| Pb-Zn  | Rezervat e shfrytëzueshme | 9,466,096.30  | 66.88                           | 9,204,202.30  | 83.80                           | 10,266,353.30 | 61.95                           | 14,118,072.44 | 77.27                           |
|  | Planifikimi               | 312,520.00    |                                 | 312,520.00    |                                 | 353,720.00    |                                 | 335,970.04    |                                 |
|  | Rezervat e shfrytëzuara   | 209,017.00    |                                 | 261,894.00    |                                 | 219,118.67    |                                 | 259,618.04    |                                 |
| Ni-Co  | Rezervat e shfrytëzueshme | 19,805,192.77 | 46.61                           | 19,349,950.77 | 52.60                           | 19,315,665.16 | 4.69                            | 19,315,665.16 | 0.00                            |
|  | Planifikimi               | 816,468.00    |                                 | 865,506.30    |                                 | 918,183.60    |                                 | 470,870.00    |                                 |
|  | Rezervat e shfrytëzuara   | 380,590.31    |                                 | 455,242.00    |                                 | 43,054.19     |                                 | 0.00          |                                 |
| Cr2O3  | Rezervat e shfrytëzueshme | 249,664.80    | 634.47                          | 233,009.18    | 432.61                          | 0.00          | 0.00                            | 233,009.18    | 0.00                            |
|  | Planifikimi               | 3,850.00      |                                 | 3,850.00      |                                 | 0.00          |                                 | 60,000.00     |                                 |
|  | Rezervat e shfrytëzuara   | 24,427.00     |                                 | 16,655.62     |                                 | 0.00          |                                 | 0.00          |                                 |

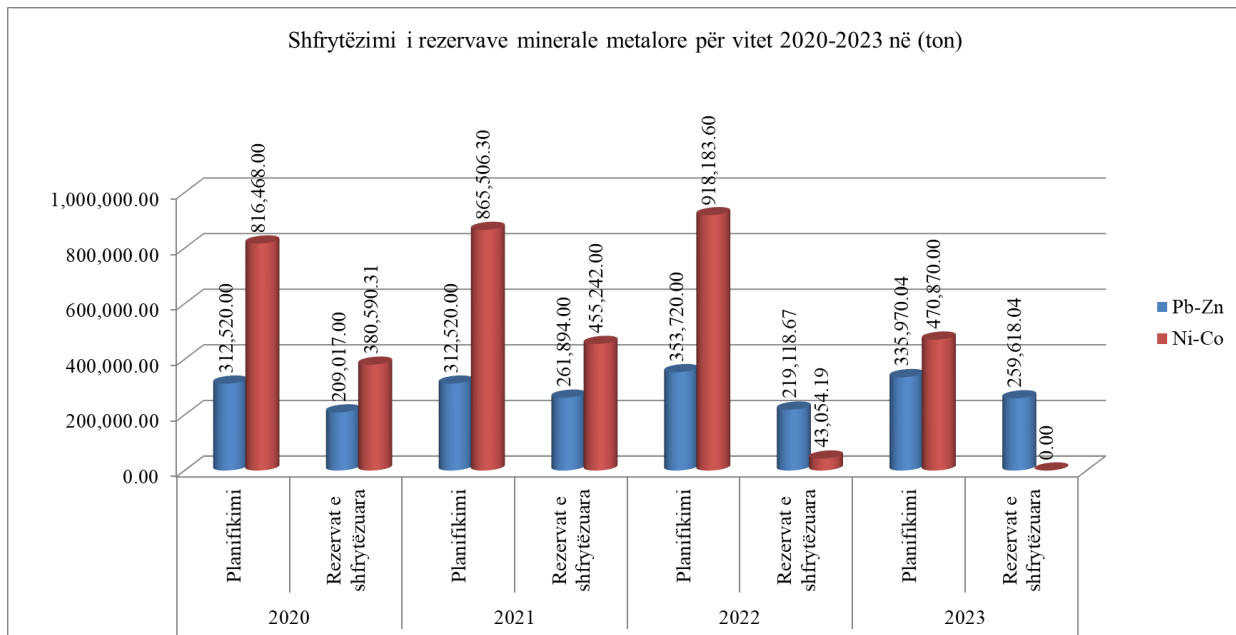


Fig.14. The chart of the state of metal mineral reserves planned and used for the period 2020-2023

### 2.5.3. Production realization for non-metal mineral resources

The tables and charts below show the amount utilized according to non-metal mineral resources. The percentage (%) of production realization is based on the ratio between planning and realization as reported by the enterprises.

As seen from Table No. 9, the state of non-metal mineral reserves for the period 2020-2023 indicates that in 2023, there was an increase in the utilization of some non-metal minerals, while there was a decrease in others, depending on market demand, which is normal and occurs almost every year. One important issue to note is that this year, the ICMM Board was non-functional, and some enterprises were unable to renew expired licenses or expand their utilization licenses.



Tab.9. The state of non-metal mineral reserves for the period 2020-2023

| Tabela e gjendjes së rezervave minerale jometalore për vitet 2020-2023 |                           |                |                                 |                |                                 |                |                      |                |                                 |
|--|---------------------------|----------------|---------------------------------|----------------|---------------------------------|----------------|----------------------|----------------|---------------------------------|
| Lënda minerale   | Aktiviteti                | 2020           | Raporti Planifikim - Shfrytëzim | 2021           | Raporti Planifikim - Shfrytëzim | 2022           | Raporti Planifikim - | 2023           | Raporti Planifikim - Shfrytëzim |
| Andezite (m3)  | Rezervat e shfrytëzueshme | 9,379,178.09   | 23.66                           | 9,228,987.04   | 40.95                           | 9,508,261.50   | 21.69                | 9,374,128.39   | 39.53                           |
|  | Planifikimi               | 466,800.00     |                                 | 366,800.00     |                                 | 346,200.00     |                      | 425,400.00     |                                 |
|  | Rezervat e shfrytëzuara   | 110,461.16     |                                 | 150,191.05     |                                 | 75,119.39      |                      | 168,194.38     |                                 |
| Argjillë (t)   | Rezervat e shfrytëzueshme | 13,654,474.54  | 50.34                           | 12,084,277.58  | 56.65                           | 12,658,558.67  | 47.22                | 8,628,838.88   | 40.84                           |
|  | Planifikimi               | 1,020,410.00   |                                 | 900,510.00     |                                 | 691,710.00     |                      | 300,500.00     |                                 |
|  | Rezervat e shfrytëzuara   | 513,691.32     |                                 | 483,121.20     |                                 | 326,608.72     |                      | 122,732.00     |                                 |
| Gëlqeror (m3)  | Rezervat e shfrytëzueshme | 242,841,810.85 | 45.93                           | 236,476,753.19 | 59.63                           | 239,284,058.97 | 38.44                | 222,830,475.31 | 66.00                           |
|  | Planifikimi               | 12,673,659.80  |                                 | 11,362,057.80  |                                 | 11,297,443.80  |                      | 8,889,233.20   |                                 |
|  | Rezervat e shfrytëzuara   | 5,820,451.38   |                                 | 6,774,974.77   |                                 | 4,343,017.09   |                      | 5,867,098.37   |                                 |
| Bazalt (m3)  | Rezervat e shfrytëzueshme | 1,348,052.37   | 206.35                          | 1,307,729.68   | 213.35                          | 1,286,987.39   | 146.33               | 1,268,725.59   | 96.62                           |
|  | Planifikimi               | 18,900.00      |                                 | 18,900.00      |                                 | 18,900.00      |                      | 18,900.00      |                                 |
|  | Rezervat e shfrytëzuara   | 39,000.58      |                                 | 40,322.69      |                                 | 27,656.39      |                      | 18,261.80      |                                 |
| Rërë dhe zhavorr (m3)  | Rezervat e shfrytëzueshme | 1,697,721.02   | 34.56                           | 1,585,510.10   | 71.21                           | 1,635,309.73   | 45.19                | 1,524,599.80   | 37.24                           |
|  | Planifikimi               | 242,048.00     |                                 | 195,186.00     |                                 | 85,743.00      |                      | 65,000.00      |                                 |
|  | Rezervat e shfrytëzuara   | 83,640.04      |                                 | 138,985.93     |                                 | 38,743.73      |                      | 24,208.00      |                                 |
| Rërë kuarcore (m3)   | Rezervat e shfrytëzueshme | 2,122,822.21   | 19.60                           | 2,089,763.99   | 61.79                           | 2,053,813.99   | 108.94               | 2,052,113.99   | 0.00                            |
|  | Planifikimi               | 89,000.00      |                                 | 53,500.00      |                                 | 44,000.00      |                      | 26,000.00      |                                 |
|  | Rezervat e shfrytëzuara   | 17,442.35      |                                 | 33,058.22      |                                 | 47,933.33      |                      | 0.00           |                                 |
| Mërgel (m3)  | Rezervat e shfrytëzueshme | 73,377,238.35  | 7.94                            | 73,195,218.03  | 7.12                            | 73,406,374.29  | 5.37                 | 73,266,297.29  | 6.32                            |
|  | Planifikimi               | 2,851,066.50   |                                 | 2,555,500.00   |                                 | 2,167,500.00   |                      | 2,119,500.00   |                                 |
|  | Rezervat e shfrytëzuara   | 226,325.00     |                                 | 182,020.32     |                                 | 116,391.32     |                      | 134,040.00     |                                 |
| Diabaz (m3)  | Rezervat e shfrytëzueshme | 348,736.00     | 0.00                            | 329,258.96     | 35.16                           | 326,541.96     | 6.54                 | 324,211.96     | 8.40                            |
|  | Planifikimi               | 55,400.00      |                                 | 55,400.00      |                                 | 55,400.00      |                      | 30,000.00      |                                 |
|  | Rezervat e shfrytëzuara   | 0.00           |                                 | 19,477.04      |                                 | 3,622.67       |                      | 2,520.00       |                                 |
| Mermer (m3)  | Rezervat e shfrytëzueshme | 7,632,992.25   | 0.03                            | 8,366,389.00   | 0.33                            | 8,364,079.00   | 1.22                 | 1,243,897.55   | 0.00                            |
|  | Planifikimi               | 209,400.00     |                                 | 252,150.00     |                                 | 252,150.00     |                      | 12,000.00      |                                 |
|  | Rezervat e shfrytëzuara   | 55.00          |                                 | 823.65         |                                 | 3,080.00       |                      | 0.00           |                                 |
| Tuf (t)  | Rezervat e shfrytëzueshme | 34,297.70      | 2.21                            | 33,946.70      | 2.93                            | 33,946.70      | 0.00                 | 21,145.70      | 0.00                            |
|  | Planifikimi               | 12,000.00      |                                 | 12,000.00      |                                 | 12,000.00      |                      | 12,000.00      |                                 |
|  | Rezervat e shfrytëzuara   | 0.00           |                                 | 351.00         |                                 | 0.00           |                      | 0.00           |                                 |

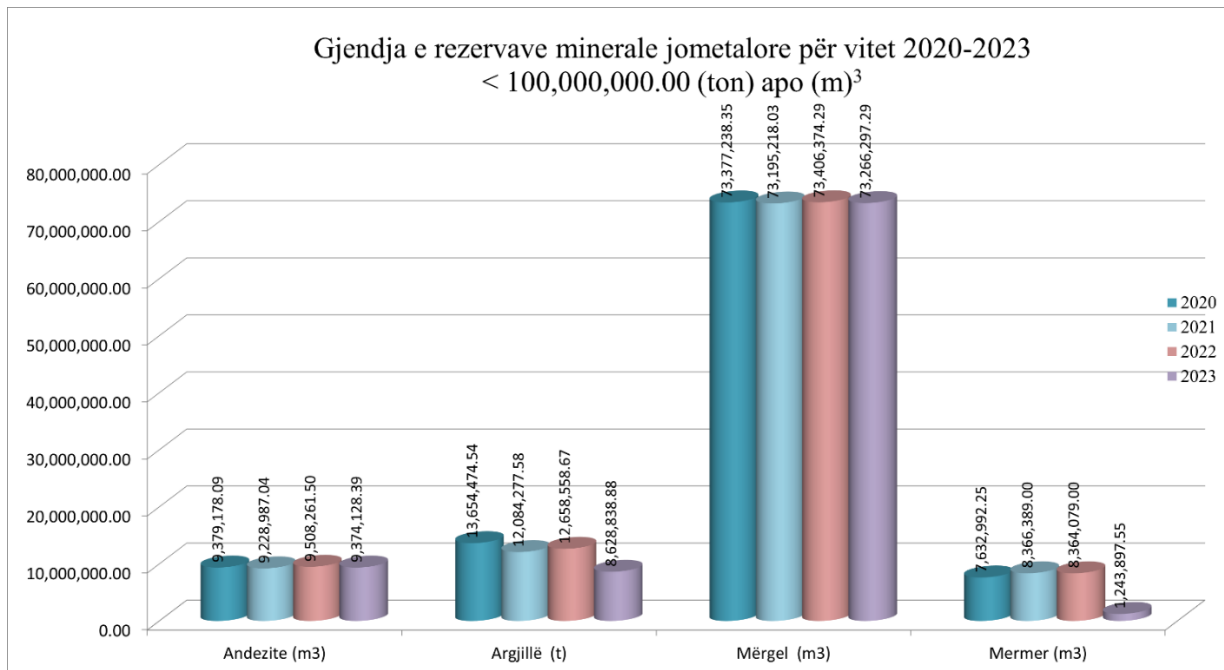


Fig.15. The chart of the state of non-metal mineral reserves for the period 2020-2023, with production less than 100,000m<sup>3</sup>.

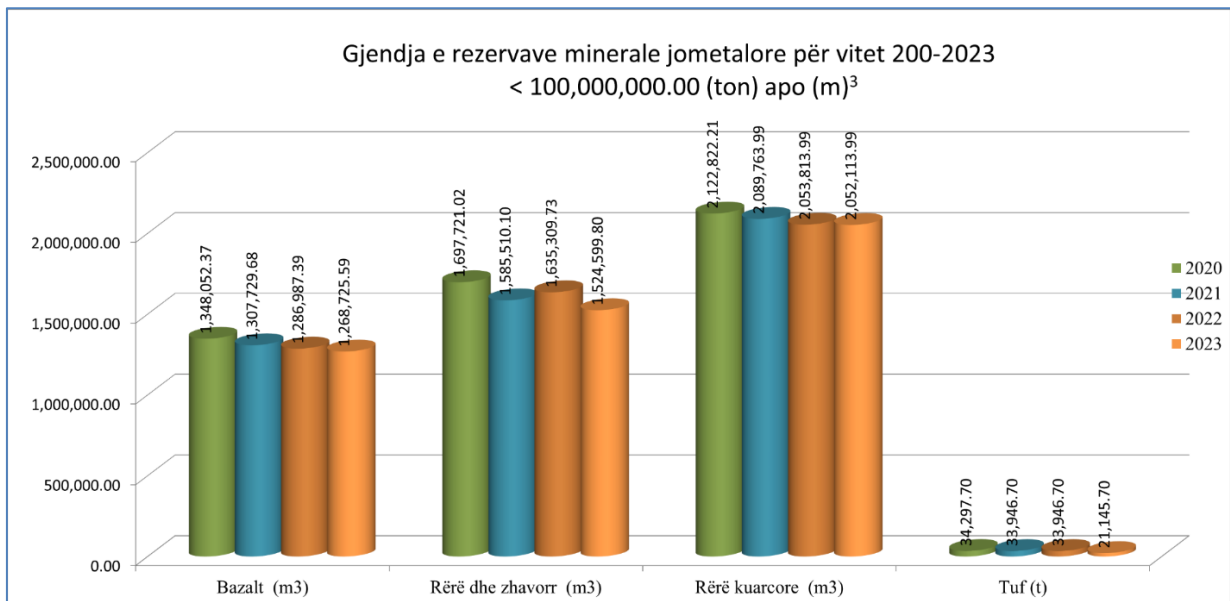


Fig. 15(a) The chart of the state of non-metallic mineral reserves for the period 2020-2023, with production less than 100,000m<sup>3</sup>

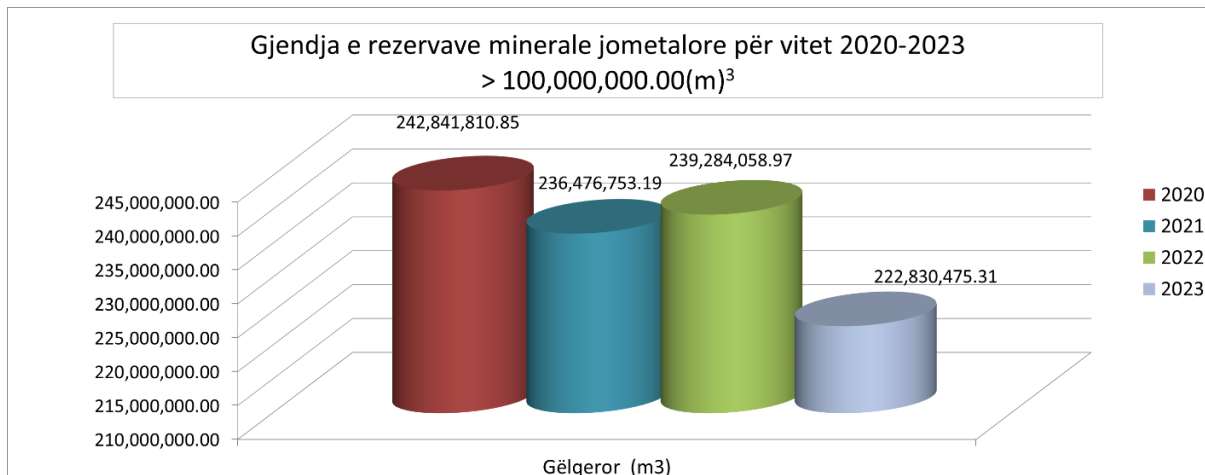


Fig.15(b) The chart of the limestone reserves for the period 2020-2023, with production exceeding 100,000m<sup>3</sup>

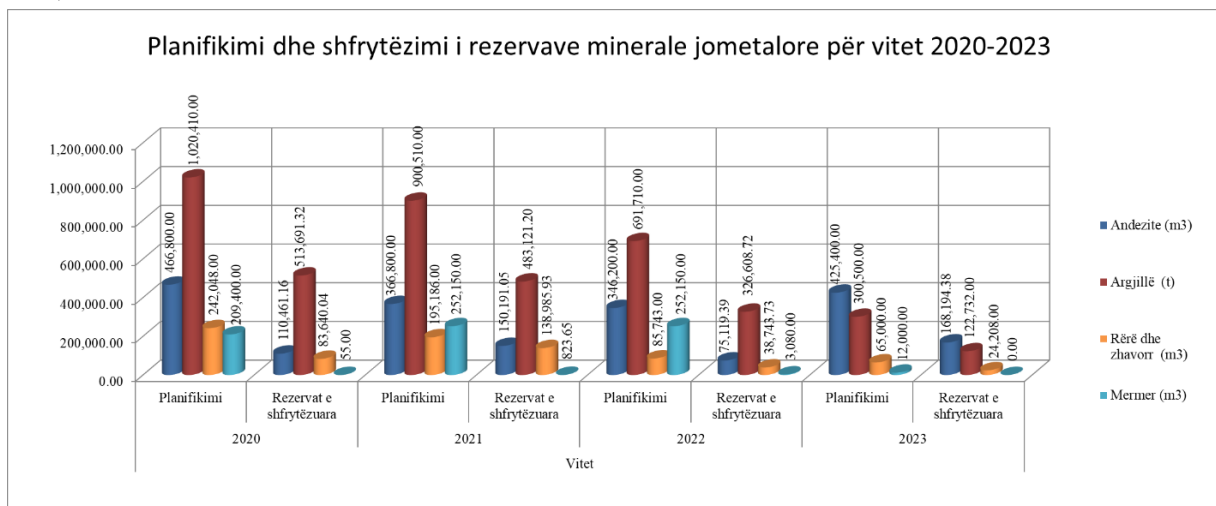


Fig.16. The chart of the state of non-metallic mineral reserves planned and exploited for the period 2020-2023, with production less than 100,000m<sup>3</sup>

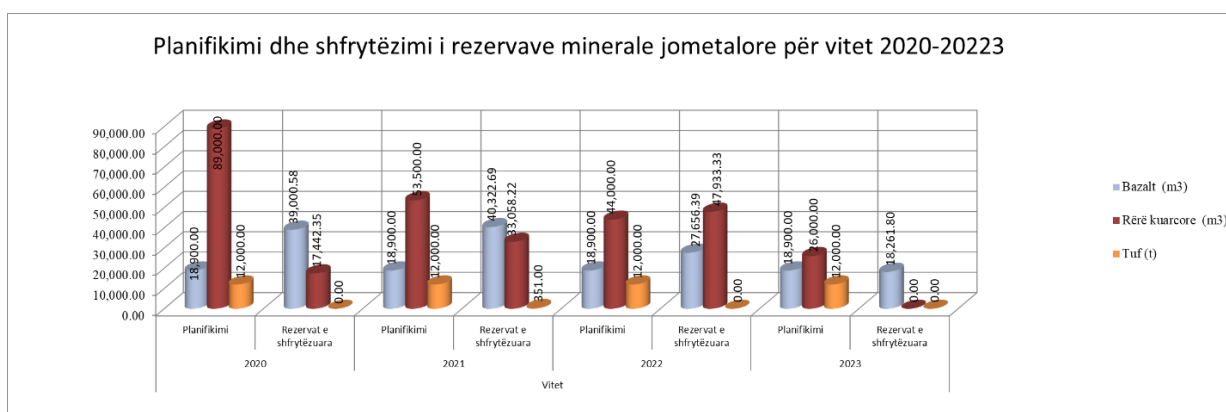


Fig.16(a) The chart of the state of non-metallic mineral reserves planned and exploited for the period 2020-2023, with production less than 100,000m<sup>3</sup>

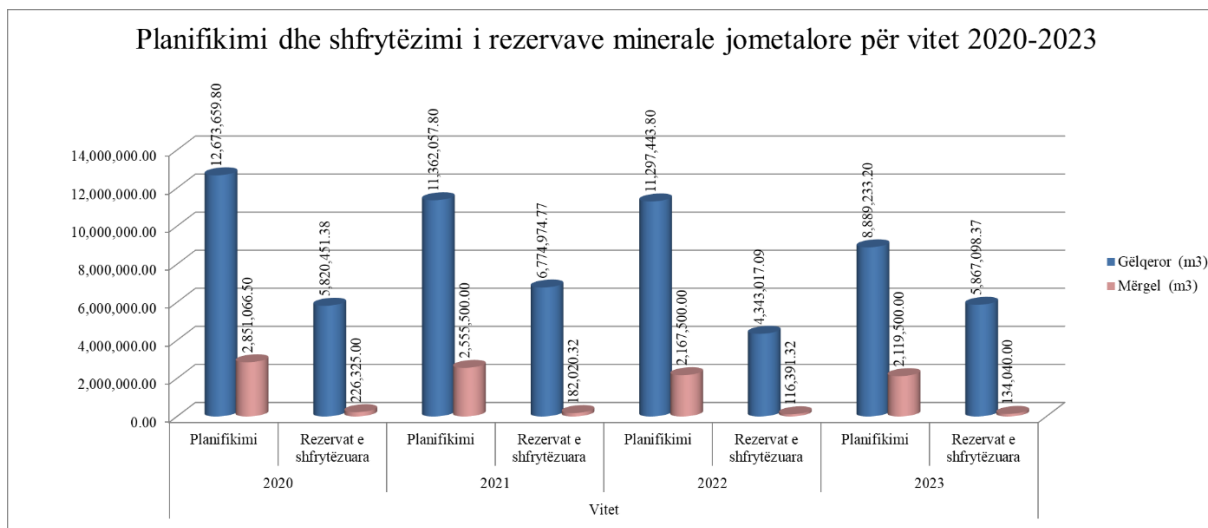


Fig.16 (b). The chart of the planned and utilized limestone and marl reserves 2020-2023, with production exceeding 100,000m<sup>3</sup>.

#### 2.5.4. Import and export of mineral resources

Below in Tab.10. and Tab.11. are the records received by the Customs of the Republic of Kosovo regarding the quantity of mineral materials exported and imported, which have different denominations from those we have in the database. From this data, it can be observed that exports are dominated by ores and concentrates of lead, zinc, chromium, etc., while imports consist mainly of ores and concentrates of nickel.

Tab.10 Quantity of exported mineral-concentrate material in the period from 01.01.2023 until 19.12.2023 EX1-Regular export () - Commercial data according to the tariff code (HS-10) / 2023-01-01 to 2023-12-19/

|              |     |   | Neto Kg              | Vlera                |
|--------------|-----|---|----------------------|----------------------|
| 2023         | EX1 | 2601200000 - Pirit i pjekur i hekurit   | 5,386,510.00         | 117,485.92           |
|              |     | 2604000000 - Xeherore dhe koncentrate nikeli  | 23,780.00            | 627.79               |
|              |     | 2606000000 - Xeherore dhe koncentrate alumini   | 261,730.00           | 73,311.98            |
|              |     | 2607000000 - Xeherore dhe koncentrate plumbi  | 6,790,943.00         | 11,094,755.71        |
|              |     | 2608000000 - Xeherore dhe koncentrate zinku   | 18,766,349.48        | 6,090,913.71         |
|              |     | 2610000000 - Xeherore dhe koncentrate kromi   | 1,333,558.00         | 299,372.46           |
|              |     | 2617900000 - Të tjera   | 4,698.61             | 62.34                |
|              |     | 2618000000 - Zgjyra të granuluara (rërë zgjyre) të dalë nga përpunimi i hekurit dhe çelikut | 1,410,505.00         | 156,691.83           |
|              |     | 2620110000 - Shufra të forta zinku  | 69,185.00            | 108,566.69           |
|              |     | 2620300000 - Që përmbajnë kryesisht bakër   | 14,500.00            | 1,450.00             |
| <b>Total</b> |     |   | <b>34,061,759.09</b> | <b>17,943,238.43</b> |

Tab.11 Quantity of imported mineral-concentrate material in the period from 01.01.2023 until 19.12.2023 IM4-Regular import () - Commercial data according to the tariff code (HS-10) / From 01-01-2023 to 01-01-2023 to 19-12-2023

|              |     |  | Neto Kg              | Vlera               |
|--------------|-----|--|----------------------|---------------------|
| 2023         | IM4 | 2604000000 - Xeherore dhe koncentrate nikeli | 55,270,710.00        | 5,823,421.39        |
|              |     | 2616900000 - Të tjera                        | 4.50                 | 2,164.95            |
|              |     | 2620999500 - Të tjera                        | 21.00                | 21.57               |
|              |     | 2621900000 - Të tjera                        | 924.44               | 308.51              |
| <b>Total</b> |     |  | <b>55,271,659.94</b> | <b>5,825,916.42</b> |

## 2.6. Illegal activities

Illegal activity is a challenging issue for the ICMM. In 2023, joint actions were taken by the ICMM Inspectorate, along with other national institutions such as MESP, KFA, the Serious Crime Police, the local police, and local inspectorates, with the aim of preventing this illegal phenomenon by identifying and taking legal punitive measures. Below, in Table No.14, the data on illegal mining activities for 2023 is presented.

Tab.12. Illegal operations according to the type of mineral material

| Illegal operations according to the type of mineral material | Record |
|--|--------|
| Industrial   | 0      |
| Hard stone   | 14     |
| Sand and gravel  | 22     |
| Coal (lignite)   | 0      |
| Mineral material processing plant/separation                 | 9      |
| Total:   | 45     |

All illegal resource exploitation cases have resulted in criminal charges, and administrative fines against natural persons or enterprises for illegal mining activities, and specific cases have been proceeded for enforcement proceedings.

As a consequence of these illegal mining activities (exploitation of various mineral resources), significant and hazardous environmental degradation remains, especially along riverbanks, where rehabilitation carries a high cost. It should be emphasized that such activities are in complete contradiction to fair competition and its protection, which represents a vital segment of the market economy's existence (Law No. 03/L-229 on Protection of Competition). Licensed enterprises fulfilling all legal obligations, as well as the Budget of the Republic of Kosovo (BRK), sustain financial losses due to these illegal activities. Additionally, the use of substandard materials in road infrastructure construction is also considered to cause financial losses.

## 2.7. Mine/quarry reclamation and closure activities in 2023

According to information received from the ICMM Inspectorate, the status of reclamation and closure of mines/quarries after assessing the materials for the closure of mining activities is as in the table below.

Tab.13. Mine/quarry reclamation and closure

|                          |                  |
|--------------------------|------------------|
| Reclamation and closure  | No. of licenses. |
| Reclamation with closure | 6                |

## 2.8. Revenue collection from mining royalties

The revenue collection from mining royalties this year was significantly impacted by enterprises such as the Kosovo Energy Corporation (KEK), "Sharr Cem" LLC, as well as the extensive use of hard rocks by various enterprises for the purpose of building road infrastructure, construction, etc.

## **The influence of the mining sector on the country's social and economic considerations**

The mineral sector differs from other industries in that the location of operations is dictated by geological factors, which in fact means that mining activities cannot be shifted to other locations where such operations would have been at lower costs. Reciprocally, the mining industry has the potential to create long-term employment opportunities.

Companies licensed by ICCM are obliged to report on the number of employees in their annual reports. The number of employees engaged in and in relation to mining activities is about 18,000 employees. It can therefore be said that despite the unfavourable situation in which the mining sector is, its impact on social considerations and the development of society cannot be denied.

Mining development, besides its impact on employment and social issues for workers, also significantly affects the state budget with approximately €26,630,706.54 in royalties from mineral exploitation (the period from January to 18 December 2022). The mining activity also indirectly impacts the budget by contributing around €150,000,000.00 to €200,000,000.00 annually.

The largest contributors to revenue from mining royalties this year are KEK and "Sharr Cem" LLC.

- In 2023, KEK collected €22,244,220.15,
- while "Sharr Cem" LLC collected €256,495.49.

It is important to note that there has been no revenue collection from Trepça mines from the commencement of production until now.

## **Environmental impact of mining activities**

The environmental protection and rehabilitation during the exploration, exploitation, enrichment and processing of mineral resources must comply with the following applicable legislation: Law No. 03/L-163 on Mines and Minerals, Article 74, respectively Law No. 04/L-158 on Amending and Supplementing the Basic Law, Law No. 03/L-233 2010 on Nature Protection, Law No. 04/L-060 on Waste of 2012, Law No. 03/L-214 on Environmental Impact Assessment of 2010, Law No. 02/L-102 on Noise Protection of 2007, Law No. 03/L-025 on Environmental Protection of 2009, Law No. 03/L-160 on Air Protection from Pollution of 2010.

The environment where mining activities take place with all the complexity it possesses always attracts the attention of all country's institutions and the commitment in this direction is permanent. There were no significant environmental accidents as a result of mining activities in 2023.

It is worth noting that flotation plants and aggregates processing factories should invest even more in avoiding the pollution that comes as a result of their work, i.e. less harmful technological waste and less dust for the environment where they operate.

### **III. KEY INDICATORS OF THE IMPACT OF MEASURES FOR ACHIEVING STRATEGIC OBJECTIVES**

The implementation of the measures defined in the Mining Strategy of the Republic of Kosovo for the period 2012-2025 had a satisfactory impact on the performance of the mining sector in the increased production capacities, establishing new and modern operating capacities and influencing the overall increased performance in comparison with the year 2022. In addition, the legal framework was completed with the necessary by-laws and the institutional capacities for the implementation of the mining sector policies were enhanced. On 15 June 2023, the Law No. 08/L-214 on Amending and Supplementing Law 04/L-158 Mines and Minerals and Law No. 03/L-163 of 2013 (Article 60 of the Basic Law, paragraphs 3 and 4 are deleted from the text of the Law).

Some of the key indicators of the impact of the measures of each strategic objective are presented below.

#### **Strategic Objective: Provision of favourable conditions for economic valorization and utilization of mining resources and attraction of investments**

Activities that have been fully carried out to implement this objective are the key indicators of the impact of the measures, establishing a satisfactory achievement of the objective. The planned measures for achieving the objective set for 2023 have impacted the provision of favourable conditions for the economic valorization of mineral resources and the attraction of investments. This is achieved through the following indicators:

- Increase in the foreign direct investments in the mining sector to two point eight percent (2.8 %) regarding the foreign direct investments in Kosovo - according to economic activity for the period 2008-2021, Kosovo Agency of Statistics (KAS) for 2023.
- Increase in the amount of mineral products exported by two percentage points (2.2%) €103,969,000.00. Export by sections Kosovo Agency of Statistics (KAS) for 2022.
- Increase in the amount of mineral products imported by fifteen points six percent (15.6%) €1,045,490,000.00. Import by sections Kosovo Agency of Statistics (KAS) for 2023.
- **Strategic Objective: Enhancement of human and institutional capacities in the mining sector**

Activities that have been fully carried out to implement this objective are the key indicators of the impact of the measures, establishing a satisfactory achievement of the objective. The measures planned for achieving the objective defined for the period 2020-2023 have impacted the enhancement of human and institutional capacities in the mining sector. This is achieved through the following indicators:

- Increasing the number of professionally trained people to two hundred and forty (240) trained people;
- Increase in the number of graduates in the mining sector to fifteen (15). UIBM Annual Report for 2023;
- Number of training sessions conducted in the mining area from which four hundred and thirty-two (432) people benefited. KEK and ICMM Annual Report;

- Increase in the quality and reliability of data;
- There are a total of one hundred thirty-six (136) active exploitation licenses categorized by mineral types. The number of exploitation licenses has increased by twelve percent (12%) and eleven percent (11%) respectively, according to the ICMM Annual Report as of 12 December 2023.
- Applications for mineral exploration licenses numbered thirty-five (35). As of 13 December 2023, there have been ninety-three (93) active mineral exploration licenses.
- Applications for special activities during 2023 totalled sixty-seven (67), reflecting a one hundred thirty-two percent (132%) increase as of 14 December 2023. There are a total of one hundred fifty-six (156) permits for special activities, with seventy (70) permits for sorting, sixty-six (66) for concrete bases, and fifteen (15) for asphalt bases predominating.

### **Strategic Objective: Social considerations and community benefits**

Activities that have been fully carried out to implement this objective are the key indicators of the impact of the measures, establishing a satisfactory achievement of the objective. This is achieved through the following indicators:

- The employment rate in the mining sector to two point one percent (2.1%), the distribution of employees by the economic sector (ore and quarry) during the period 2008-2020, Kosovo Agency of Statistics (KAS) for 2022;
- Application of occupational safety and health standards and rules by fifty percent (50%);
- Increased investments and community benefits from mining activity. (5) million euro in 2023, twenty percent (20%) from mining royalties.

### **Strategic Objective: Environmental care**

Activities that have been fully carried out to implement this objective are the key indicators of the impact of the measures, establishing a satisfactory achievement of the objective. This is achieved through the following indicators:

- Application of environmental standards in the mining sector by fifty percent (50%);
- Adoption and implementation of EU environmental standards in the mining sector at fifty percent (50%);
- Reduction of the amount of hazardous waste generated from mining activities - ore and quarrying to 2,795,809 tons. Seven hundred forty-five (745) businesses with ten (10) or more employees responded to the survey regarding the quantity of generated hazardous waste, representing eighty-eight point five percent (88.5%) during the period of August-September 2023.
- In total, the amount of processed waste was 3,390,096 tons, which is fifty-three point two percent (53.2%) higher compared to 2021, according to the Kosovo Agency of Statistics (KAS) for 2023.



#### **IV. RISKS AND STEPS TO ADDRESS THEM**

The risks encountered during the monitoring of this document are related to the institutional capacity, financial capacity, regulatory facility, partnership and engagement of other institutions, as well as other external factors impacting the level of implementation of the strategic document.

Based on the meetings and joint discussions, lack of funds was estimated to be one of the most common risks in the general activities of institutions, namely mining companies, in terms of implementing the projects related to the Mining Strategy Implementation Program (MSIP) for 2023.

With a view to monitoring the implementation of the Mining Strategy Implementation Program (MSIP) for the period 2022-2024, the Ministry of Economy (ME), respectively the Department of Mines (DM) coordinated the drafting process of the Progress Report for 2023, while they received inputs in the course of drafting this document and risks to be addressed in the coming years through concrete measures have been identified. As part of this, cooperation and coordination with the relevant institutions and the key mining sector enterprises will continue to address all the risks they keep facing.

It can be concluded that the delays in the implementation of some planned projects indicate the necessity of taking concrete steps to eliminate the barriers that prevent the development of this sector. The role of the responsible mining sector institutions but also of mining enterprises in the planning of activities and projects is crucial to the success and development of the mining sector. To this end, institutional capacities should be strengthened through professional training and investments in technology development. Transparency and reduction of bureaucratic procedures also play an important role in the sector's success. In this regard, institutional opportunities must be created for investors to have easy and quick access to their investment interests by having a clear address where they can direct their requests. Alignment of laws and removal of legal ambiguities, closer and continuous cooperation, research of new opportunities for donations and withdrawal of funds are some of the necessary steps that must be taken in the following years in this direction.

#### **Challenges, shortcomings and obstacles**

The challenges, shortcomings and obstacles encountered during the monitoring of this document are related to the institutional capacity, financial capacity, regulatory facility, partnership and engagement of other institutions, as well as other external factors impacting the level of implementation of the strategic document.

Based on the meetings and joint discussions, lack of funds was estimated to be one of the most common challenges in the general activities of institutions, namely mining companies, in terms of implementing the Mining Strategy of the Republic of Kosovo for the period 2012-2025 and for 2023.

Other challenges and other deficiencies can also be triggered by institutional management performance, professional skills, and bureaucratic procedures related to the complicated procedures for issuing licenses to conduct mining activity (in terms of involving many institutions that according to them have often come into conflict with each other, in relation to the interpretations of the laws governing the relevant area).

In light of the foregoing and taking into account the data described in the tables above, it can be concluded that the satisfactory progress of some institutions was noted as a general indicator of the Mining Strategy Implementation Program (MSIP). Delays in the implementation of some planned projects indicate deficiencies in the planning of projects by the mining sector companies and institutions, but also in the work of institutions responsible for the elimination of barriers that hinder the development of this sector.

### **Budget resources**

Most of over ninety percent (90%) of the budget estimated to be spent on the implementation of the Mining Strategy of the Republic of Kosovo for the period 2012-2025 comes from Publicly-Owned Enterprises (POE) and private mining companies. Only a fraction of the cost of implementing the Mining Strategy Implementation Program (MSIP) is covered by the Budget of the Republic of Kosovo (BRK). The Budget of the Republic of Kosovo (BRK) mainly covers projects for Publicly-Owned Enterprises (POE) such as “Trepça” JSC and projects from mining sector institutions.

### **Conclusions and recommendations for next steps**

It can be said that some of the institutions and mining enterprises have not sufficiently analyzed the source of financing of the respective projects, which later resulted in the non-implementation of certain projects due to the lack of funds.

It is also worth noting the performance of Publicly-Owned Enterprises (SOEs), “Trepça” JSC and KEK JSC, which failed to implement many projects they planned to implement with their own funds, and consequently have shown a poor performance in progress, which has also impacted their low performance in the Mining Strategy Implementation Program (MSIP) for 2023.

In light of the foregoing and taking into account the data described in the tables above, it can be concluded that the satisfactory progress of some institutions was noted as a general indicator of the Mining Strategy Implementation Program (MSIP). Delays in the implementation of some planned projects indicate deficiencies in the planning of projects by the mining sector companies and institutions, but also in the work of institutions responsible for the elimination of barriers that hinder the development of this sector.

The recommendations and next steps, based on the concerns presented by the mining sector companies, are related to the facilitation of the procedures for issuing licenses to conduct mining activity in terms of involving many institutions that according to them have often come into conflict with each other, in relation to the interpretations of the laws governing the relevant area.

Some of the recommendations and next steps include:

- Establishing and aligning a functional legal basis and mining activity standards, which guarantee environmental, occupational safety and health, as well as transparency and accountability;

- Improving the investment climate by establishing competitive legal and fiscal conditions to attract and retain private sector investors; attracting qualified investors through an appropriate licensing methodology;
- Increasing transparency in tendering and licensing procedures, through the use of electronic tendering;
- Preparing a strategic program with short-term, medium-term and long-term objectives with priorities addressing environmental and social issues, through the preparation and implementation of a strategic environmental and social program;
- Enhancing productivity and competitiveness, rational use of financial, human and natural resources;
- Increased investment in institutional capacities and in new geological research;
- Improving the organization of small mining companies, monitoring safety and environmental protection practices and promoting the encouragement and establishment of medium and large mining companies;
- Reassessment of mineral resources, collection of basic geological data, use of data (e.g. geophysical aerial surveys, etc.), which help in the exploration of minerals and attract companies to invest in exploration and exploitation activities.
- Developing the database, GIS and inter-institutional cooperation of the mining sector of the country's companies with their European counterparts;
- Efficient and safe management of mining waste and encouragement of recycling processes.
- The protection of mineral resources as an asset of the country, from the construction of various facilities on the resource or in their vicinity in favour of the rational use of mineral resources in the light of economic development of the country.
- The promotion of exploration, especially of metal minerals, should be a priority in the following year in order to expand the base of reserves of these materials.
- Development of "Special mineral interest areas" creating opportunities for investment in such areas.
- Enterprise planning on the use of mineral material should be carefully followed up by the ICMM in order for the implementation to be within the rational planning limits.
- Increasing the ICMM Inspectorate's commitment and coordination with the relevant institutions to prohibit and prevent illegal activities of the exploitation of mineral resources
- Examine the possibility of recycling waste from mining activity, construction, reconstruction, repair and demolition of buildings or other constructions, which are known as inert waste (materials such as stone, concrete, tiles, etc.).
- Take into account the Government's decision on the moratorium for new stone quarries and the procedure for environmental consent for the two-year period June 2021 - June 2023 (clarify the steps to be taken in the implementation of this decision).

**V. ANNEX I- MATRIX PART OF THE PROGRESS REPORT FOR 2023 OF THE MINING STRATEGY OF THE REPUBLIC OF KOSOVO FOR THE PERIOD 2012-2025**

This annex provides information on the status of the implementation of the actions, and a brief description of progress in each action/activity, output indicators, any identified problems and proposed future steps.

| <b>1. STRATEGIC OBJECTIVE: PROVISION OF FAVOURABLE CONDITIONS FOR ECONOMIC VALORIZATION AND UTILIZATION OF MINING RESOURCES AND ATTRACTION OF INVESTMENTS</b> |  |                  |                       |   |   |  |  |
|---|--|------------------|-----------------------|---|---|--|--|
| <b>1.1 Specific Objective Completion of the legal and regulatory framework</b>  |  |                  |                       |   |   |  |  |
| <b>No.</b>  | <b>Objectives and actions</b>  | <b>Dead line</b> | <b>Funding source</b> | <b>Leading and supporting institution</b> | <b>Output</b>   | <b>References to documents (e.g. GWP, NPISAA)</b>                  | <b>Progress in implementation</b>  |
| <b>1</b>  | Administrative Instruction (AI) on the manner of purchase, donation, inheritance, exchange, exposure of crystals and minerals, and the manner of providing relevant documentation on minerals and crystals to collectors | 2024             | No cost               | ME GSK                                    | Completion of the legal infrastructure, for GSK services. | Mining Strategy of the Republic of Kosovo for the period 2012-2025 | Administrative Instruction (AI) on the manner of purchase, donation, inheritance, exchange, exposure of crystals and minerals, and the manner of providing relevant documentation on minerals and crystals to collectors has been drafted, has passed all stages of public consultation, and is soon expected to be sent for signature to the Minister, Ms. Artane Rizvanolli. |
| <b>2</b>  | Regulation (OPM) No. 05/2023 on Internal Organization and Systematization of Jobs of the Geological Service of Kosovo (GSK)  | 2024             | No cost               | ME GSK                                    | Completion of the legal infrastructure, for GSK services. | Mining Strategy of the Republic of Kosovo for the period 2012-2025 | The Regulation was approved by the Government of the Republic of Kosovo (GRK) and published in the Official Gazette (OG) on 31.03.2023.  |
| <b>1.2 Specific Objective Drafting of mining sector development policies</b>  |  |                  |                       |   |   |  |  |
| <b>No.</b>  | <b>Objectives and actions</b>  | <b>Dead line</b> | <b>Funding source</b> | <b>Leading and supporting institution</b> | <b>Output</b>   | <b>References to documents (e.g. GWP, NPISAA)</b>                  | <b>Progress in implementation</b>  |

|       |   |      |                |                |   |  |  |
|-------|---|------|----------------|----------------|---|--|--|
| 1.2.1 | Mineral Resources Management Plan   | 2024 | No cost        | ME, ICMM       | Mineral Resources Management Plan for 2023 adopted. | Mining Strategy of the Republic of Kosovo for the period 2012-2025 | Implementation: one hundred percent (100%).<br>The Mineral Resources Management Plan for 2023 was approved by ME. According to the Law on Mines and Minerals (LMM) No. 03/L-163, Article 74 respectively Law No. 04/L-158 on Amending and Supplementing the basic law, Article 45 provides that the ICMM is obliged to prepare and submit the Draft Mineral Resources Management Plan to the Minister of Economy (ME) in the last quarter of each calendar year for the following year, which must be in accordance with the Mining Strategy of the Republic of Kosovo. The Mineral Resources Management Plan of the Republic of Kosovo for 2023 was reviewed and approved on: 25.10.2023. |
| 1.2.2 | Drafting of the three-year (3) Mining Strategy Implementation Program.                    | 2024 | No cost        | ME, ICMM       | Document approved                                   | Mining Strategy of the Republic of Kosovo for the period 2012-2025 | Implementation: zero percent (0%). Drafting the Mining Strategy Implementation Program of the Republic of Kosovo for the three-year period (3): The complete draft with the requested amendments and supplementations during the consultation phase has been submitted to the office for final consultations before proceeding further according to Administrative Instruction (AI) of the Government of the Republic of Kosovo (GRK) No. 07/2018. So far, we have not received confirmation to proceed further.   |
| 1.2.3 | Drafting the Annual Progress Report on the Mining Strategy Implementation Program (MSIP). | 2024 | No cost        | ME             | Annual Report for 2021 completed.                   | Mining Strategy of the Republic of Kosovo for the period 2012-2025 | Implementation: one hundred percent (100%).<br>Regular monitoring of the Implementation of the Mining Strategy of the Republic of Kosovo for the period 2012-2025 is in progress. Based on the monitoring until the end of the first quarter of 2023, the Progress Report for 2022 has been drafted and approved.  |
| 1.2.4 | Promotion of the mining sector.   | 2024 | KB, UIMB, ICMM | ME, UIMB, ICMM | The annual conference held on                       | Mining Strategy of the   | Implementation: one hundred percent (100%).  |

|              |  |      |         |        |   |  |   |
|--------------|--|------|---------|--------|---|--|---|
|              |  |      |         |        | “Geosciences, their role in sustainable development”. | Republic of Kosovo for the period 2012-2025                        | According to the plans, the V <sup>th</sup> International Multidisciplinary Geosciences Conference IMGC2023 was held on 19-20 October 2023, at the “Isa Boletini” University Campus in Mitrovica, where the Ministry of Economy/Department of Mines was the co-organizer of this conference.  |
| <b>1.2.5</b> | Supporting activities of a developmental character, at the local and international level.                      | 2024 | No cost | ME GSK | Completion of the infrastructure for GSK services.    | Mining Strategy of the Republic of Kosovo for the period 2012-2025 | “The inter-institutional group held the next meeting with the company Terra-A see on: 27.09.2023, where some developments related to the process of implementation of the Memorandum of Understanding (MoU) were presented. Also, preparations have been made and participation in the next meeting with the European Geological Service has been confirmed, where, among other things, the GSEU project will be discussed.”  |
| <b>1.2.6</b> | Further promotion and enrichment with crystals/minerals of the State Museum of Crystals and Minerals “Trepca”. | 2024 | BK      | ME GSK | Completion of the infrastructure for GSK services.    | Mining Strategy of the Republic of Kosovo for the period 2012-2025 | Work is underway to maintain the enrichment of SMCM “Trepca”. A team from SMCM “Trepca” paid a working visit to the Ultrabasic Massif of Golesh. On the occasion of this visit, the enrichment of the Museum with new minerals, opals and chalcedonies from the Ultrabasic Massif of Golesh has continued. Minerals received from the field are currently being treated for the purpose of cleaning and placing in the drawer of the SMC “Trepca” The number of crystals found is five (5) opal/brown chalcedony. |
| <b>1.2.7</b> | Creation and digitalization of data on river flows in the Republic of Kosovo for the period 2023-2024.         | 2024 | No cost | ME GSK | The realization of fieldwork.                         | Mining Strategy of the Republic of Kosovo for the period 2012-2025 | Relevant studies have already been conducted for two (2) out of four (4) targeted rivers, as follows:<br>1. “Chemical and mineralogical study of Lepenci River sediments”;<br>2. “Chemical and mineralogical study of Sitnica River sediments”.   |
| <b>1.2.8</b> | Monitoring, recording, and   | 2024 | No cost | ME GSK | The realization of fieldwork.                         | Mining Strategy of   | The study, analysis and processing of seismological   |

|               |  |  |                       |   |                               |  |  |
|---------------|--|--|-----------------------|---|-------------------------------|--|--|
|               | assessing events related to geological hazards.  |  |                       |   |                               | the Republic of Kosovo for the period 2012-2025                    | resources (physical parameters and earthquakes), which have occurred with low seismic intensity in our country and some high-intensity earthquakes in the region during the period January-October 2023, have been conducted.  |
| <b>1.2.9</b>  | Project: Geological map of Ponoshec in scale 1: 25000  | 2024   | No cost               | ME GSK                                    | The realization of fieldwork. | Mining Strategy of the Republic of Kosovo for the period 2012-2025 | Work is underway in producing a map scaling 1:25 000 under the project "Ponoshec" K34-53Dc. During the reporting period, analytical work has been conducted with the data. These systematically collected data are being incorporated and completed in the final document currently being prepared, which is expected to be finalized by the end of this year. Samples collected during recent field trips will be prepared, organized, and sent in the coming weeks for processing at the Geomechanics Laboratory in Mitrovica. |
| <b>1.2.10</b> | Establishment of the cadastre of mining representations of chromium ore in the Shar tectonic unit 2023-2024. | 2024   | No cost               | ME GSK                                    | The realization of fieldwork. | Mining Strategy of the Republic of Kosovo for the period 2012-2025 | Continuation of fieldwork in the topographic area 1:25000-Mushnikova. Based on the data collected during fieldwork within this week in the Mushnikova topographic map area, an observational map has been created depicting terrain covered with correlated activities, namely: Topographic map 1:25000; 2. Geological map, etc.   |
| <b>2</b>      | <b>STRATEGIC OBJECTIVE: ENHANCEMENT OF HUMAN AND INSTITUTIONAL CAPACITIES IN THE MINING SECTOR</b>           |  |                       |   |                               |  |  |
| <b>2.1</b>    | <b>Specific Objective</b>  | <b>Development of human and institutional capacities</b> |                       |   |                               |  |  |
| <b>No.</b>    | <b>Objectives and actions</b>  | <b>Dead line</b>   | <b>Funding source</b> | <b>Leading and supporting institution</b> | <b>Output</b>                 | <b>References to documents (e.g. GWP, NPISAA)</b>                  | <b>Progress in implementation</b>  |
| <b>2.1.1</b>  | Project on the Operationalization of the Laboratory of the Geological  | 2024   | BK                    | ME, GSK                                   | Laboratory operationalized    | Mining Strategy of the Republic of Kosovo for                      | Implementation: one hundred percent (100%). The GSK Laboratory Project has already been completed. The relevant reports have been prepared and financial   |

|            |   |  |                       |   |  |  |  |
|------------|---|--|-----------------------|---|--|--|--|
|            | Service of Kosovo (GSK).  |  |                       |   |  | the period 2012-2025   | obligations to the OE have been fulfilled. The connection of the relevant equipment and the full operationalization of the laboratory equipment - with special emphasis on the device for geochemical analysis - ICP-MS are expected to take place soon.   |
| 2.1.2      | Completion of the system with the relevant new equipment for the seismic laboratory:  | 2024   | BK                    | ME, GSK                                   | Completion of the seismic laboratory   | Mining Strategy of the Republic of Kosovo for the period 2012-2025 | Implementation: one hundred percent (100%):<br>1. Two seismometers;<br>- one long-period Model KS-2000<br>- the other short-period Model S-13,<br>- two Smart 24 recorders.<br>2 Geophysical device (system set) with Seismic reflection and refraction methods.   |
| <b>2.2</b> | <b>Specific Objective</b>   | <b>Exploration of mining resources and their reporting</b> |                       |   |  |  |  |
| <b>No.</b> | <b>Objectives and actions</b>   | <b>Dead line</b>   | <b>Funding source</b> | <b>Leading and supporting institution</b> | <b>Output</b>  | <b>References to documents (e.g. GWP, NPISAA)</b>                  | <b>Progress in implementation</b>  |
| 2.2.1      | Capacity building for geological analysis as well as cooperation and support of development activities at local and international levels. | 2024   | No cost               | ME, GSK                                   | Research and use of historical geological documentation for the compilation of the project from the previous explorations in the areas of Dragash, Pashtriku and the area of Gashi/Gjeravica | Mining Strategy of the Republic of Kosovo for the period 2012-2025 | Implementation: one hundred percent (100%). Execution of field works - completed<br>Execution of laboratory works - completed<br>Execution of cabinet works - completed<br>The explanatory text and the generation of a relevant map for the project in general - is in the final stage and the document binding and protocolling is expected to be done soon.         |
| 2.2.2      | Supporting activities of a developmental character, at the local and international level.   | 2024   | No cost               | ME, GSK                                   | The realization of fieldwork.  | Mining Strategy of the Republic of Kosovo for the period 2012-2025 | Implementation: one hundred percent (100%). Execution of field works in the areas of Dragash, Pashtriku and the area of Gashi/Gjeravica<br>Execution of laboratory works in the areas of Dragash, Pashtrik and the area of Gashi/Gjeravica<br>Execution of cabinet works for thorough evaluation of the areas of Dragash and Pashtrik and the area of Gashi/Gjeravica. |



|              |   |                  |                       |   |   |  |  |
|--------------|---|------------------|-----------------------|---|---|--|--|
|              |   |                  |                       |   |   |  | Explanatory text and the generation of the corresponding map for the project in general (for the areas of Dragash and Pashtriku and the area of Gashi/Gjeravica).  |
| <b>3.</b>    | <b>STRATEGIC OBJECTIVE: SOCIAL CONSIDERATIONS AND COMMUNITY BENEFITS</b>                                    |                  |                       |   |   |  |  |
| <b>3.1</b>   | <b>Specific Objective: Treatment of social issues and occupational safety considerations</b>                |                  |                       |   |   |  |  |
| <b>No.</b>   | <b>Objectives and actions</b>   | <b>Dead line</b> | <b>Funding source</b> | <b>Leading and supporting institution</b> | <b>Output</b>   | <b>References to documents (e.g. GWP, NPISAA)</b>                  | <b>Progress in implementation</b>  |
| <b>3.1.1</b> | Conducting training on the implementation of technical occupational safety and protection at the workplace. | 2024             | No cost               | ME, ICMM, "Trepça" JSC, KEK LLC           | Professional training of the mining sector supervisory staff and employees. | Mining Strategy of the Republic of Kosovo for the period 2012-2025 | During the year, the training centre operating under KEK conducted various training programs for four hundred and thirty-two (432) individuals (including fifty (50) from outside KEK), totalling one thousand five hundred and sixty-three (1563) training days (including two hundred and sixty-eight (268) days for individuals outside KEK). The training subjects covered various areas including occupational safety, electrical technology, mechanical and welding technology, refrigeration technology, information technology, as well as management and administration |
| <b>3.1.2</b> | Reforming the preliminary risk assessment system.   | 2024             | KEK                   | KEK                                       | Implementation of the law, by-laws and technical protection regulations.    | Mining Strategy of the Republic of Kosovo for the period 2012-2025 | Another important activity completed during 2023 was the contracting of health insurance services for thirty-six (36) months, starting from 1 January 2024, at a cost of €2,441,456.64.  |
| <b>4</b>     | <b>STRATEGIC OBJECTIVE: Environmental care</b>  |                  |                       |   |   |  |  |
| <b>No.</b>   | <b>Objectives and actions</b>   | <b>Dead line</b> | <b>Funding source</b> | <b>Leading and supporting institution</b> | <b>Output</b>   | <b>References to documents (e.g. GWP, NPISAA)</b>                  | <b>Progress in implementation</b>  |
| <b>4.1.</b>  | Environmental protection and addressing social issues.  | 2024             | KEK                   | KEK                                       | Completed environmental projects.   | Mining Strategy of the Republic of Kosovo for                      | Cleaning of the former Gasification Zone - Hydraulic transport of slag. Construction of Electrofilters in "Kosova A" TPP - Treatment of the former   |

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|      |  |      |     |     |                                   | the period 2012-2025   | slag landfill at “Kosova A” TPP - an area of over two hundred and fifty (250) hectares. Thermal Energy - KEK community cogeneration Field activities regarding regular inspections related to environmental issues within KEK production units have continued. Meanwhile, efforts have been engaged in monitoring actions to finalize the Integrated Environmental Permit (IEP). The application was submitted in early November to MESPLI and has been processed.  |
| 4.2. | Implementation of environmental policies in KEK. | 2024 | KEK | KEK | Completed environmental projects. | Mining Strategy of the Republic of Kosovo for the period 2012-2025 | <p>The planning and preparation activities for spaces in KEK Park II, covering an area of about twenty (20) hectares have continued, including the regulation of water flows and basins, and the addition of tree stocks in these areas.</p> <p>The “Kosova A” TPP spaces and the Chemical Separations Zone have been maintained, and the plantations in Lismir have been preserved and maintained.</p> <p>In 2023, successful cooperation with the EU Office in Kosovo, MESPI and the Municipality of Obiliq continued regarding the decommissioning process in the Chemical Separations Zone and the construction of the Temporary Hazardous Waste Storage Warehouse. Additionally, cooperation with the World Bank, MESPI, the Municipality of Obiliq and the Municipality of Fushe Kosova related to the implementation of the KEK Park I project has also progressed.</p> <p>Procurement activities have been initiated for the collection, packaging and storage of waste and materials containing asbestos and mineral wool in the areas of “Kosova B” TPP, “Kosova A” TPP and DPQ. This project</p> |

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|  |  |  |  |  |  | <p>will significantly reduce the risk for KEK workers and local residents.</p> <p>The procurement activity for the project “Treatment of Oils Containing Polychlorinated Biphenyls BPK/PCB” has also been initiated, which will significantly reduce the risk for KEK workers and local residents.</p> <p>From 2022, the total value of the assessed projects was €43,103,013.00, with expenditures amounting to €257,738.03 euro. In 2023, we carried forward an amount of €42,845,274.97, with no additions or increases to the current provisions. An amount of €25,848.39 was spent, with no unspent amounts Returned or any waiver from the projected projects.</p> |
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