



**MILLENNIUM CHALLENGE ACCOUNT – KOSOVO  
MINUTES OF THE 7TH BOARD OF DIRECTORS MEETING**

**Tuesday, July 2, 2024, from 14:00 – 15:10 PM  
MCA-Kosovo Offices**

The Board of Directors ("**Board**") of Millennium Challenge Account-Kosovo ("**MCA-Kosovo**") held the 7<sup>th</sup> regular meeting at the above-mentioned date and time for which notice was duly given on June 18<sup>th</sup>, 2024 in accordance with (i) the Statute of MCA-Kosovo ("**Statute**"); (ii) that certain Millennium Challenge Compact, by and between the United States of America, acting through the Millennium Challenge Corporation ("**MCC**"), and the Government of Kosovo (the "**Government**"), dated July 15, 2022 (the "**Compact**"); and (iii) that certain Program Implementation Agreement, by and between MCC and the Government (the "**PIA**"), dated July 15, 2022.

**I. PARTICIPANTS**

**BOARD MEMBERS:**

1. Artane Rizvanolli, Minister of Economy – in person;
2. Liburn Aliu, Minister of Environment, Spatial Planning and Infrastructure – in person;
3. Luan Dalipi, Chief of Staff to the Prime Minister – in person;
4. Fadile Dyla, Secretary General, Minister of Education, Science, Technology, and Innovation – in person;
5. Mimoza Krasniqi, Chief Executive Officer of Education Code, Civil Society Representative – in person;
6. Adrian Zeqiri, Executive Director of the European Centre for Minority Issues – in person;
7. Lulzim Sylja, Chairman of the Board of MIRECK – in person.

**NON-VOTING OBSERVERS:**

1. Rinor Gjonbalaj, MCC Resident Country Director for Kosovo – in person;
2. Florina Duli Sefaj, Chief Executive Officer, MCA-Kosovo – in person.

**OTHERS PRESENT:**

1. Caitlin Reichart, Acting MCC Deputy-Resident Country Director for Kosovo – in person;
2. Arta Krasniqi, General Counsel/Legal Director, MCA-Kosovo – in person;
3. Dritëro Jashari, Deputy Executive Director for Operations, MCA-Kosovo – in person;
4. Urtina Zeka, Program Specialist, MCA-Kosovo – in person.

**CHAIRPERSON OF THE BOARD:** Artane Rizvanolli, Minister of Economy

**BOARD SECRETARY:** Arta Krasniqi, General Counsel/Legal Director, MCA-Kosovo

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## **II. OPENING REMARKS**

### **1. Opening of the meeting and determination of quorum**

The meeting was called to order at 14:00 hours by the Chairperson of the Board, Minister Artane Rizvanolli ("Chair"). The Chair welcomed all attendees and expressed appreciation for their presence, acknowledging the commitment and dedication of the Board members.

Following the opening remarks, the Chair requested that the Board Secretary, Arta Krasniqi ("Board Secretary"), confirm the presence of a quorum. The Board Secretary, referring to the requirements stipulated under Article 3, Section 3.12(b)(ii) of the Statute, confirmed that a quorum was present, consisting of four governmental board members and three non-governmental board members.

### **2. Approval of the Meeting Agenda**

The Chair informed the attendees that all supporting documents, including the agenda, had been made available to them by the Board Secretary prior to the meeting. The Chair then invited Board members to propose any additional items for the agenda. After allowing time for consideration, no additional items were proposed. The agenda was then put to a vote and was unanimously approved by all Board members present in the meeting. With the agenda approved, the Chair announced that the meeting would proceed according to the outlined agenda.

## **III. QUARTER REPORTS ON PRE-IMPLEMENTATION OF THE COMPACT PROGRAM**

The Chair proceeded to the next item on the agenda, which was the Quarter Reports on Pre-Implementation of the Compact Program. The Chair invited MCA-Kosovo CEO, Florina Duli Sefaj, to provide a short presentation for the Board on the overall developments of the Compact Program during this quarter.

No vote was required on this item. Members of the Board were encouraged by the Chair to use this opportunity to raise questions and seek clarifications regarding the presentations.

### **1. Short presentation on the overall developments of the Compact Program by MCA-Kosovo CEO, Florina Duli Sefaj**

MCA-Kosovo CEO, Ms. Florina Duli Sefaj, thanked the Board members for their participation in the meeting. She informed the Board that the biggest milestone achieved by MCA-Kosovo during this quarter is the Entry into Force of the Compact on April 30, 2024. In this regard, the CEO reported that MCA-Kosovo successfully completed all Conditions Precedent for the Entry into Force of the Compact which included securing confirmation from the Government of Kosovo that all domestic requirements were met, obtained a legal opinion from the Head of the Legal Department of the Ministry of Finance, Labour, and Transfers, and provided certified copies of all EIF-related documents. Additionally, MCA-Kosovo coordinated with the Government to determine the ownership structure for the MFES Entity and established an indicator for the JETA Project, including a definition, baseline, and target, along with a satisfactory beneficiary analysis as required by MCC.

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In addition, the CEO informed the Board that MCA-Kosovo has made significant progress in fulfilling the conditions precedent (CPs) necessary for requesting the initial disbursement of MCC Program Funding, as specified in the Compact and PIA. Namely, as required under the Compact, the following CPs have been completed: (i) the Compact has officially entered into force on April 30, 2024; (ii) MCA-Kosovo has successfully hired all key staff, with all appointments approved by both MCC and the Board; (iii) the Human Resources Manual, pending approval by the Board in this meeting, has already received MCC's approval. (iv) the MCA-Kosovo has developed and received approvals for several critical implementation plan documents that include the Project Work Plans, approved by MCC and the CEO under the delegation by the Board, and the Detailed Financial Plan, which has also been approved by both MCC and the CEO.

Furthermore, the Fiscal Accountability Plan, the Audit Plan, the Procurement Plan Package, the Environmental and Social Management System (ESMS), and the Social and Gender Integration Plan (SGIP) have all been developed and approved by the necessary parties, including the Board and MCC. Notably, following its approval, the Social and Gender Integration Plan was published on June 13.

In addition, the CEO informed the Board on the pending CPs. She reported on the status of CPs for the Anti-Fraud and Corruption Action Plan and the Monitoring and Evaluation Plan. Details include ongoing collaboration between MCA-Kosovo and MCC AFC Teams, with the completion of the AFC Action Plan expected by October 2024. MCC has extended the deadline for development of Initial Monitoring and Evaluation Plan which is set for October 2024. The CEO concluded her presentation by highlighting that these accomplishments demonstrate that MCA-Kosovo is well-prepared to request the initial disbursement of MCC Program Funding.

Following the CEO's presentation, the Chair invited MCA-Kosovo Program Specialist, Ms. Urtina Zeka for more details on the Programmatic level.

## 2. Update on Quarter Developments of Compact Projects

Ms. Urtina Zeka, Program Specialist provided detailed updates on the Energy Storage Project, JETA Project and ACDF Project highlighting key milestones and developments during the quarter March -June 2024.

Ms. Urtina Zeka, MCA-Kosovo Program Specialist, provided a detailed update on the progress of the Energy Storage Project during the second quarter of 2024.

- With regards to **Energy Storage Project**, Ms. Zeka informed the Board on the following achievements:
  - On March 26, 2024, the derogation proposal for KOSTT to own/operate BESS for Frequency Restoration Reserves. was formally accepted by the Energy Community Secretariat, marking a significant achievement towards project alignment and regulatory approval.
  - On March 28, 2024, the mandate of the MFES Activity Action Group concluded successfully, noting that importance of Group's contributions in leading project activities and ensuring stakeholder engagement.
  - On April 30, 2024, MCA-Kosovo signed two important project agreements, namely the (i) Implementing Entity Agreement with the Ministry of Economy to jointly support the implementation of MFES Activity, namely in establishing and operating POE ESCorp which will manage substantial battery energy storage capacity, ensuring reliable reserves

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and cost-effective electricity solutions and (ii) Memorandum of Understanding with the Ministry of Environment, Spatial Planning and Infrastructure (MESPI) for institutional cooperation in implementing the Energy and Climate Policy Support Activity, specifically the Environmental Regulatory Management Sub-Activity whose objectives are to broaden the greenhouse gas inventory across sectors and aligning it with global standards for carbon pricing and climate policy instruments.

- On May 10, 2024, MCA-Kosovo confirmed support to Energy Regulatory Office's through technical assistance in drafting, reviewing, and approving secondary legislation and regulatory acts related to battery energy storage systems. It also includes the provision of the necessary software and tools as well as capacity building to monitor BESS activities.
- On May 22, 2024, MCA-Kosovo conducted a Request for Information process with companies interested in the construction of BESS facilities. The RFI was sent to 90 companies (international and local) and was published in international and local media. Six firms provided responses to the RFI, which will be used in designing the tendering process for BESS systems.

Regarding this matter, Minister Rizvanolli, Chair of the Board, suggested that MCA-Kosovo take a more proactive approach in reaching out to top companies in this sector. Specifically, she recommended sending personalized emails and arranging meetings with CEOs of these companies to encourage them to participate in MCA-Kosovo's procurement opportunities. She emphasized that the Government stands ready to support MCA-Kosovo in these efforts. Additionally, Mr. Lulzim Sylja, a non-government board member representing the private sector, suggested that the best way to approach companies in the energy storage sector is through relevant industry associations to which these companies belong.

- On June 3, 2024, MCA-Kosovo decided to move the FRR BESS site to the Ferizaj 2 400/110 kV Substation and all the MFES BESS capacity to the Peja 3 400/110 kV Substation. Such changes in site location were imposed by findings of Site Survey and Geotechnical Investigation of the proposed site for construction of BESS for the FRR Activity at Palaj village in Obiliq, due to environmental concerns and higher costs for associated access road and site stabilization at Palaj. This change will result in both financial and time savings and will be reflected in the Design and Supervision Consultant contract.
- On June 6, 2024, MCA-Kosovo signed a contract with the winning bidder "PLANET S.A" for the provision of MESPI Capacity Building Training. This activity is intended to support MESPI in applying international standards and best practices for evaluating, assessing, and permitting RES and BESS projects. This support will deliver targeted training and capacity building on the international environment and social management practices for MESPI staff with a mandate to assess and approve RES and BESS. In addition, it will also provide technical assistance that includes permitting support manual. The kickoff meeting with the Training Consultant, PLANET S.A, is planned in the beginning of July.
- On June 2024, MCA-Kosovo participated in the 27th Athens Electricity Forum and the Intersolar Europe exhibition held in June 2022 with the aim of engaging with key stakeholders and major players in the energy storage market. Given the significant investment and the time-sensitive nature of the BESS Design and Build procurement, MCA-K leveraged these high-traffic events to promote the upcoming Design and Build



tender, ensuring maximum visibility and engagement with industry leaders to advance the project's goals.

- MCA-Kosovo is currently conducting preparations for land transfer for BESS use and prepared an action plan that details transferring the municipal public land of Ferizaj and Istog sites to the Government for the construction of BESS in line with Article 16 of the Law No. 08/L-125 on Public Property.
  - With regards to activities under the IEA with KOSTT PIU Staffing, KOSTT has submitted the Staffing Plan, and such plan was approved by MCA-Kosovo. During the reporting period an Environmental and Social Performance Specialist was hired for KOSTT BESS PIU, while currently the process for recruitment of the KOSTT BESS PIU Manager and three engineers is ongoing.
- With regards to the **JETA Project**, Ms. Zeka informed the Board on the following achievements:
    - On April 25, 2024, the Energy Workforce Council supported by the USAID Private Sector-Led Workforce Development Activity was launched in which MCA-Kosovo is a member. This Council will play a pivotal role in guiding the ESF Activity, ensuring stakeholder engagement, and aligning the efforts of various industry players towards a common goal of developing a skilled energy workforce. MCA-K is a member of the council.
    - The MCA-Kosovo Grants Operations Manual for the Inclusive Energy Sector Workforce Activity is in the final approval stages, and it outlines specific roles and responsibilities, including the Director of Grants, to ensure compliance with MCC guidelines and MCA's goals. It includes a structured approach for launching grant programs, starting with a General Notice of Grants Schedule, followed by targeted advertising and outreach strategies. The manual details the processes for grant application, including submission through Request for Applications, evaluation by Merit Review Panels and Selection Committees, and adherence to strict environmental, social, and governance standards for transparent and effective grant management.

In relation to this topic, Minister Rizvanolli underscored the critical role of the legal frameworks of the Ministries of Education and Economy. The government prioritizes sustainable interventions within the JETA Project that align with existing legal frameworks in education and energy sectors. Should there be a need to revise current legislation, the government stands ready to support such measures to ensure the sustainability of investments in these sectors. Additionally, Minister Rizvanolli announced upcoming plans by the Ministries of Economy and Education to convene a meeting inviting all relevant stakeholders. The objective is to enhance coordination among them and with government leadership in these sectors.

    - On June 18, MCA-Kosovo completed the Implementation Plan for the Inclusive Energy Sector Workforce Activity. This plan provides a detailed roadmap for the execution of the IESW Activity, outlining the key activities, timelines, and responsible parties. A key activity for the first year of implementation is the commitment of grants for micro enterprises and SMEs in the energy and complementary sectors, setting a strong foundation for sustainable gender equality efforts. In the subsequent years, the IESWA plan will continue with grant disbursements for large energy sector employers, workshops, trainings, alongside internships, mentorships, and networking events to support women's career development.



- On June 20, 2024, the Energy Skills for the Future Activity Detailed Design Report has been completed. This report includes a comprehensive plan to address the energy skills gap in Kosovo. Key activities include establishing a training center to deliver vocational education and training programs, which are focused on high-demand skills such as installation and operation and maintenance of solar and wind power plants. Moreover, a governance structure that is driven by employers will oversee training programs. This includes the creation of a Steering Committee composed of key stakeholders such as MCC, MCA-K, industry representatives, and relevant government bodies. A stakeholder workshop will be organized to present, validate, and improve the Detailed Design Report.
- The procurement process for engaging a consultant under the Energy Skills for the Future Activity is currently underway. MCA-Kosovo is in the process of finalizing the Terms of Reference and procurement package so the Request for Offers can be released at the beginning of July 2024.
- The MoU with the University of Prishtina for the Energy Skills for the Future Activity – ongoing is being prepared, which aims to establish a framework for cooperation in implementing the ESF Activity. The University of Prishtina would provide its infrastructure, facilities, and human resources, designating an existing or a new center as the training center for these programs, while MCA-Kosovo will offer consultancy, financial support, and resources for constructing and equipping training facilities, developing curricula, and ensuring accreditation. Both parties would collaborate to monitor progress, facilitate stakeholder engagement, and ensure sustainable operation post-ESF Activity. If UP is formally selected as the implementing partner, a formal agreement will succeed this MoU in later stages of ESF implementation.

- With regards to the **ACDF Project**, Ms. Zeka informed the Board on the following achievement:

On May 9, 2024, the first ACDF proposal was received and submitted to DFC for review, who will in turn get back to the applicant and the MCA-Kosovo with feedback. The proposal offers utility-scale renewable energy generation solutions to Kosovo.

### **III. DISCUSSION AND AGENDA ACTION ITEMS**

#### **1. Approval of MCA-Kosovo Human Resources Manual**

The Chair then proceeded to the next point on the agenda, which was the approval of MCA-Kosovo Human Resources Manual. The Chair invited MCA-Kosovo's Deputy Executive Director for Operations, Mr. Dritëro Jashari to present this agenda item.

Mr. Jashari emphasized to the Board the importance of approving the Human Resources Manual. He explained that the manual has been designed to ensure consistency, transparency, and fairness across all aspects of employment, including recruitment, hiring, performance evaluation, compensation, benefits, and employee relations. It also serves as a comprehensive guide to MCA-Kosovo organizational culture, policies, and expectations, playing a crucial role in employee orientation and training.

An integral aspect of the HR Manual is its compliance with Kosovo Labor Law and MCC's relevant human resources policies applicable to MCAs. Mr. Jashari informed the Board that the HR Manual has undergone thorough review and approval by MCC, highlighting that the Board's approval is essential for effectively

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implementing the Compact operations and also is a conditions precedent for the disbursement of program funding.

Following Mr. Jashari's presentation, the Chair invited questions from the Board members. As there were no questions raised, the Chair invited the Board to vote on this agenda item. The Board voted unanimously, and the following resolution was passed:

**"RESOLVED THAT:** the MCA-Kosovo Human Resources Manual is hereby approved by the Board of Directors."

2. Approval of the amendments to the Procurement Plan Package

The Chair then proceeded to the next agenda item, which involved approving amendments to Procurement Plan Package. Mr. Jashari was called upon again to present this point.

Mr. Jashari provided a brief presentation on the proposed amendments to the Procurement Plan Package that require Board approval. Precisely, the following modifications to PPP were presented to the Board:

- Insurance for KOSTT Vehicle: The insurance budget for KOSTT vehicles has been reduced to cover only one vehicle, aligning with actual operational needs.
- KOSTT PIU Personal Protection Equipment (PPE): The procurement start date for PPE has been shifted to August 7, 2024, with no impact on the budget.
- Printing of Promotional Materials for MCA-Kosovo: The funding source for promotional materials has been changed from CDF to CFF, maintaining the total budget allocation.
- Health and Safety Training for KOSTT PIU: The start date for Health and Safety Training has been adjusted to August 5, 2024, with no budgetary changes.
- Vehicle Procurement for KOSTT PIU: The plan to purchase three vehicles has been revised to acquiring one vehicle, reducing associated costs accordingly.
- Implementation of JETA Energy Skills for Future Activity: This initiative introduces the JETA Energy Skills for Future program, aimed at addressing technical skill gaps in Kosovo's energy sector through tailored training programs focusing initially on photovoltaic installation and maintenance.
- Travel Agent Services for One Year: This procurement secures travel agent services for a year to optimize travel logistics, ensuring cost-efficiency and expertise in travel management for MCA-Kosovo's operations.
- Office and Kitchen Supplies: This procurement introduces the acquisition of essential office and kitchen supplies, replacing the previous item on office supplies.
- External Legal Services: This initiative introduces the retention of external legal services to provide specialized legal expertise and strategic guidance, ensuring impartial handling of legal matters and supporting compliance and risk management efforts.
- Indoor Plants for MCA-Kosovo Office: This initiative introduces indoor plants to enhance workplace well-being, air quality, and create a professional environment, reflecting MCA-Kosovo's commitment to sustainability.
- BESS Fundamentals Training: This initiative introduces BESS Fundamentals training to enhance staff expertise in battery storage technology, improving project management capabilities and contributing to Kosovo's sustainable energy objectives.

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After opening the floor for questions and receiving none from the Board members, the Chair noted the unanimous approval of the following resolution:

**"RESOLVED THAT:** Proposed amendments to the Procurement Plan Package are approved by the Board of Directors."

3. Approval of changes to MCA-Kosovo's Organization's Structure

The Chair then moved to the next agenda item, which involved the approval of changes to MCA-Kosovo's organizational structure. She invited Mr. Jashari to present this item and explain the proposed changes.

Mr. Jashari presented a key structural change to the Organization: the addition of the Grants Director position. This new role is necessitated by MCC guidelines for grant approval in specific Compact project activities. Mr. Jashari informed the Board that MCC mandates the inclusion of a Grants Director to oversee the development of the Grants Operation Manual and the execution of Grant Agreements.

Given the advanced stage of the IESW Activity design, MCC has agreed to temporarily appoint an existing staff member to the role of Grants Director while recruitment for a permanent position proceeds, with a time limit of six months. Mr. Jashari highlighted that MCC's approval of the Grants Operation Manual is conditioned with the selection of the Grants Director.

In light of these considerations, Mr. Jashari requested the Board's approval to formalize the Grants Director position within the Organizational Structure.

Following Mr. Jashari's presentation, the Chair invited questions from the Board members. As there were no questions raised, the Chair invited the Board to vote on this agenda item. The Board voted unanimously, and the following resolution was passed:

**"RESOLVED THAT:** the Board approved the proposed changes to MCA-Kosovo's Organizational Structure respectively, the inclusion of Grants Director position.

4. Ratification of Board decision via email on approving the IEA with MoE on MFES Activity

The Chair proceeded to the next agenda item: the Ratification of Board Decision via Email regarding the approval of the Implementing Entity Agreement (IEA) with the Ministry of Economy (MoE) on the MFES Activity. She invited the Board Secretary to present this item.

The Board Secretary explained that, in accordance with the authorizations for decisions without a meeting outlined in the MCA-Kosovo Statute, the Board had approved the proposed IEA with the Ministry of Economy on April 25, 2024, via email. To uphold transparency in decision-making and align with corporate governance best practices, all decisions made via email by the Board require formal ratification at the subsequent meeting.

Accordingly, the Board was called upon to ratify the decision taken via email on April 25, 2024, where eight out of nine Board members approved the proposed IEA. All seven Board members present at the meeting voted in favor of ratifying the decision.




**RESOLVED THAT:** Resolved, that the Board hereby ratifies the decision taken via email on April 25, 2024, to approve the Implementing Entity Agreement with the Ministry of Economy (MoE), as presented. This ratification is confirmed by unanimous consent of the Board.

**IV. ADJOURNMENT**


Following the completion of all agenda items, each of which had been approved, and with no further matters requiring the Board's deliberation, the Chair, with unanimous consent from the members, adjourned the meeting at 15:10.

The Chair informed the Board that the meeting minutes will be prepared by the Board Secretary and subsequently submitted to the Board for review and approval. Both the Chair and the Board Secretary will co-sign the finalized minutes.

**Certified by:**

 17.07.2024  
Arta Krasniqi – General Counsel  
Secretary of the Board  
MCA-Kosovo

**Acknowledged by:**

 17.07.2024  
Artane Rizvanolli  
Chairman of the Board of Directors  
MCA-Kosovo











Millennium Challenge Account – Kosovo

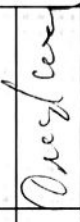
7<sup>th</sup> Board of Directors Meeting  
Tuesday, July 2<sup>nd</sup>, 2024 from 14:00 - 15:30  
MCA-Kosovo Offices

No.	Name and Surname	Board member / Board Non-Voting Observer	Signature
1.	Artane Rizvanolli	Minister of Economy / Chairperson of the Board	
2.	Luan Dalipi	Chief of Staff to the Prime Minister / Alternate Member on behalf of Besnik Bislimi - First Deputy Prime Minister	
3.	Learta Hollaj	Chief of Staff to the President	not present
4.	Hekuran Murati	Minister of Finance, Labour and Transfers	not present
5.	Liburn Aliu	Minister of Environment, Spatial Planning and Infrastructure	
6.	Fadile Dyla	Secretary General of the Minister of Education, Science, Technology and Innovation / Alternate Member on behalf of Minister Arberie Nagavci	
7.	Lulzim Sylja	Non-Government Board Member representing private sector	



8.	Adrian Zeqiri	Non-Government Board Member representing Kosovo's Minority Group	
9.	Mimoza Krasniqi	Non-Government Board Member representing Organization Serving Women	
10	Arta Krasniqi	MCA-Kosovo General Counsel / Corporate Secretary	
11	Rimor Gjonbalaj	MCC Resident Country Director /Non-voting Observer	
12	Florina Duli – Sefaj	MCA -Kosovo Chief Executive Officer / Non-Voting Observer	
13	Caitlin Reichart	MCC Deputy- Resident Director /Non-voting Observer	

**Other Participants:**

No.	Name and Surname	Position	Signature
14.	Dritëro Jashari	MCA-Kosovo / Deputy Executive Director for Operations	
15.	Urtina Zeka	MCA-Kosovo Program Specialist	