



MILLENNIUM CHALLENGE ACCOUNT – KOSOVO
MINUTES OF THE 8TH BOARD OF DIRECTORS MEETING

Wednesday, September 25, 2024, from 10:00 – 10:32 AM
Online through Teams Platform

The Board of Directors (“**Board**”) of Millennium Challenge Account-Kosovo (“**MCA-Kosovo**”) held the 8th regular meeting at the above-mentioned date and time for which notice was duly given on September 10, 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. Izedin Bytyqi, Secretary General to the Ministry of Environment, Spatial Planning and Infrastructure – online;
3. Learta Hollaj, Chief of Staff to the President - online;
4. Arton Ahmeti, Secretary General, Ministry of Finance, Labor and Transfers - online;
5. Bardha Hamiti Rexhepi, alternate non-government representing communities’ sector – online;
6. Astrit Rexhaj, alternate non-government representing private sector – online;

Non-Voting Observers:

7. Rinor Gjonbalaj, MCC Resident Country Director for Kosovo – online;
8. Florina Duli Sefaj, Chief Executive Officer, MCA-Kosovo – online.

Others Present:

9. Caitlin Reichart, Acting MCC Deputy-Resident Country Director for Kosovo – online;
10. Arta Krasniqi, General Counsel/Legal Director, MCA-Kosovo – online;
11. Dritëro Jashari. Deputy Executive Director for Operations, MCA-Kosovo – online.

Chairperson of the board: Artane Rizvanolli, Minister of Economy

Board Secretary: Arta Krasniqi, General Counsel/Legal Director, MCA-Kosovo

II. Opening remarks

1. Opening of the meeting and determination of quorum

The meeting was called to order at 10:00 AM by the Chair 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"), verify the presence of a quorum. The Board Secretary, in accordance with Article 3, Section 3.12(b)(ii) of the Statute, confirmed that a quorum was duly constituted, consisting of four governmental Board members and two non-governmental Board members.

2. Approval of the Meeting Agenda

The Chair informed the Board members that all supporting documents, including the agenda, had been distributed by the Board Secretary prior to the meeting. The Chair then invited members to propose any additional items for inclusion in the agenda. After allowing time for consideration, no further items were suggested.

Given the limited availability of time, the Board Secretary recommended reordering the agenda to prioritize matters requiring Board approval, followed by presentations on the quarterly developments of the Compact Program. The Board members in attendance unanimously agreed to the proposed reordering of the agenda.

Following this, the Chair moved for the approval of the revised agenda. The agenda was unanimously approved by all Board members present. With the approval confirmed, the Chair announced that the meeting would proceed in accordance with the revised agenda.

III. Discussion and agenda action items

1. Approval of proposed amendments to the Fiscal Accountability Plan

The Chair moved to the next item on the agenda, the approval of proposed amendments to the Fiscal Accountability Plan (FAP), and invited Mr. Dritëro Jashari, MCA-Kosovo's Deputy Executive Director for Operations, to present the changes.

Mr. Jashari began by summarizing the key procedures under Section 5 of the Fiscal Accountability Plan. He explained that any proposed changes to the FAP require MCC and Board of Directors Approval in accordance with the MCA-Kosovo- Statute. Accordingly, the proposed changes to FAP have been reviewed and approved by MCC through No Objection standard process and has been submitted for the Board approval in this meeting.

Mr. Jashari then highlighted the specific revisions included in the latest version (FAP V3), which consisted of the following updates:

1. **Operational Expenses:** Mr. Jashari explained that the list of operational expenses had been updated to include Health and Life Insurance for MCA-Kosovo staff, along with a provision for pre-approved training programs.
2. **Public Outreach and Events:** He noted that Section 21, which covered public outreach and events, had been removed. This change was made because the section conflicted with the updated MCC Cost Principles for Government Affiliates Policy, specifically version DCO-2007-2.1, which was issued on May 15, 2019. The activities covered under this section are now addressed in Paragraph 23.5.3.1, which governs advertising, public relations, and media costs.
3. **Human Resources Alignment:** Mr. Jashari pointed out that the FAP had been updated to align with the Human Resources Manual recently approved by MCA-Kosovo's Board of Directors.
4. **Petty Cash:** He introduced the addition of a new section establishing the rules and procedures for maintaining a petty cash fund within MCA-Kosovo.
5. **Tax Exemptions:** Lastly, Mr. Jashari presented the introduction of new forms and procedures for tax exemptions, in line with the requirements of PIA Annex V Tax Schedules.

After concluding his presentation, Mr. Jashari highlighted that these amendments were essential for maintaining alignment with MCA-Kosovo's internal policies and ensuring compliance with MCC's guidelines.

Following Mr. Jashari's presentation, the Chair opened the floor to questions from the Board members. As no questions were raised, the Chair proceeded to call for a vote on the proposed amendments.

The Board members present unanimously approved the amendments, and the following resolution was adopted:

“RESOLVED THAT: The proposed amendments to the MCA-Kosovo Fiscal Accountability Plan are hereby approved by the Board of Directors.

2. Approval of the amendments to the Procurement and Grants Package

The Chair introduced the agenda item on the Approval of Amendments to the Procurement and Grants Package Plan. The Chair invited Mr. Dritëro Jashari, Deputy Executive Director for Operations, to present the proposed amendments.

Mr. Jashari commenced his presentation by providing an overview of the status of the Procurement List, informing the Board that 85 activities had been included in the list to date, with four new activities added in the current Quarterly Development Review Package (QDRP).

Mr. Jashari then detailed the specific modifications to the plan, which included:

1. M142141000 – Grant Program for Micro, Small, and Medium-Sized Companies and Civil Society Organizations (CSOs): The budget for this activity was presented in the attached Grants Schedule.
2. M142142000 – Grant Program for Large Companies: The budget for this program was also outlined in the Grants Schedule.
3. M932430000 – Recruitment for a Design and Implementation Consultant: This consultant will support the advancement of women entrepreneurs in Kosovo's Clean Energy Transition. The budget for this recruitment was detailed in the attached cost estimate.
4. M149514000 – Short-Term Consultant: The role of this consultant is to facilitate the passage of three laws related to Compact Projects. The estimated budget for this consultancy is calculated based on prior similar engagements and the three-month period of work.

Upon concluding his presentation, Mr. Jashari reiterated that these updates were necessary to ensure that procurement activities remain aligned with both MCA-Kosovo's objectives and MCC's standards.

The Chair thanked Mr. Jashari for his comprehensive presentation and subsequently invited questions or comments from the Board members. As no further questions were raised, the Chair called for a vote on the proposed amendments.

The Board members unanimously approved the amendments, and the following resolution was adopted:

RESOLVED THAT: The proposed amendments to the MCA Kosovo Procurement and Grants Package Plan are hereby approved by the Board of Directors.

3. Ratification of Board Decision via Email Dated September 13, 2024

The Chair introduced the next agenda item, concerning the Ratification of the Board Decision via Email dated September 13, 2024, pertaining to the extension of the Employment Agreement Term for MCA-Kosovo's Chief Executive Officer, Ms. Florina Duli Sefaj. The Chair then invited the Board Secretary to provide further details.

The Board Secretary clarified that, in accordance with the MCA-Kosovo Statute, which authorizes decisions to be made without convening a formal meeting, the Board had, on September 13, 2024, approved via email the extension of the Employment Agreement Term for the CEO, Ms. Florina Duli Sefaj. As a matter of corporate governance best practice, all decisions made by email require formal ratification during the next Board meeting to ensure compliance with transparency and governance standards.

In light of this, the Board was requested to formally ratify the decision made via email on September 13, 2024.

Following due consideration, the Board members unanimously resolved to ratify the decision previously approved without a formal meeting, in accordance with the MCA-Kosovo Statute.



4. Quarter update on pre-implementation of the Compact Program

The Chair introduced the next agenda item regarding the Quarterly Reports on the Pre-Implementation of the Compact Program and invited MCA-Kosovo CEO, Ms. Florina Duli Sefaj, to deliver an overview of key developments during the quarter.

Ms. Duli Sefaj highlighted significant progress in the Compact Program, emphasizing advancements in the Monitoring and Evaluation (M&E) and Anti-Fraud and Corruption Plans. She reported that all key staff remained actively engaged, with ongoing recruitment for vacant positions, including the Grants Director.

The first Compact Quarterly Disbursement Request Package was submitted and approved by MCC, marking a pivotal moment as it represents the initial utilization of Compact funds beyond the earlier allocated facilitation funds. Additionally, an Implementation Letter for the establishment of the Energy Storage Corporation (ESCorp) was signed on September 23, 2024, and a recruitment firm was selected for hiring ESCorp employees, with the RFO launched on September 19.

Ms. Duli Sefaj informed the Board about the amendment of the Desing and Supervision Consultancy Agreement for the FRR and MFES Activity, reflecting site changes from Palaj to Ferizaj, with anticipated signing by the end of September. Regarding land acquisition for the Battery Energy Storage System (BESS), both the Municipalities of Ferizaj and Istog have expressed special interest in the project area, facilitating ongoing technical discussions.

On staffing, KOSTT successfully hired three engineers and one ESP specialist by August 7, 2024, with recruitment for the PIU Manager still in progress. Furthermore, the IESW Grant Operations Manual was approved, and a Memorandum of Understanding with the University of Prishtina for the Energy Skills for the Future (ESF) activity was signed.

The procurement for the ESF Activity Implementing Consultant commenced on July 30, 2024, while the ESF Detailed Design Report received approval on September 9, 2024, pending validation by the new Implementing Consultant. Ms. Duli Sefaj also mentioned the successful launch of the IESWA "Energy for Equality" Outreach Campaign on September 16, 2024.

In terms of ACFD proposals, updates included advisories for sponsors to submit loan applications for various renewable energy projects, including a 40MW + 20MW BESS solution and a 6MW solar plant. A second ACFD informative session is set for October 3, 2024, to encourage further participation.

In conclusion, the Chair reiterated that no vote was required on this agenda item and encouraged Board members to ask questions or seek clarifications regarding any aspect of the presentation.

5. Update on the 2nd Procurement and Grants Committee Meeting

The Chair moved on to the next agenda item concerning the second meeting of the Procurement and Grants Committee (PGC) and invited the Board Secretary to present an overview of the decisions made during the PGC meeting held on August 6, 2024.

The Board Secretary indicated that this update was intended to inform the Board about the delegation of specific responsibilities to the PGC, as established under the MCA-Kosovo Statute. The primary agenda item for the PGC's second meeting was Amendment No. 1 to Contract No. 24-1003a for Office Furniture and Appliances for MCA Lot 1. This amendment was essential to

increase the quantities of a specific item within the contract, necessitating a revision of the completion schedule. In compliance with the MCC Program Procurement Guidelines Approval Matrix, contract modifications and change orders for contracts valued at or below USD 2 million that extend the original contract duration by 75% or more require PGC review and approval.


The Board Secretary further noted that the minutes from the PGC meeting were included in the supporting documents distributed prior to this meeting and invited Board members to pose any questions regarding this agenda item. There were no additional questions from the Board members. Since this update was solely informational and did not require Board approval, the Chair concluded this agenda item.

IV. Adjournment

Upon the successful conclusion of all agenda items, each receiving unanimous approval, and in the absence of any additional matters requiring the Board's consideration, the Chair formally adjourned the meeting at 10:32 AM.


The Chair further indicated that the minutes of the meeting would be meticulously prepared by the Board Secretary and subsequently presented to the Board for review and ratification. The finalized minutes will bear the co-signatures of both the Chair and the Board Secretary, thereby ensuring compliance with established corporate governance protocols under the MCA-Kosovo Statute.

Certified by:



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

Acknowledged by:



Artane Rizvanolli
Chairman of the Board of Directors
MCA-Kosovo