



MILLENNIUM CHALLENGE ACCOUNT – KOSOVO
MINUTES OF THE 9TH BOARD OF DIRECTORS MEETING

Tuesday, December 10, 2024, from 10:00 AM
via Teleconference / Microsoft Teams

The Board of Directors ("**Board**") of Millennium Challenge Account-Kosovo ("**MCA-Kosovo**") held the 9th regular meeting at the above-mentioned date and time for which notice was duly given on December 6th, 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 – online;
2. Arbërie Nagavci, Minister of Education, Science, Technology, and Innovation – online;
3. Luan Dalipi, Chief of Staff of Prime Minister – online;
4. Arton Ahmeti, General Secretary of the Ministry of Finance, Labour and Transfers - online;
5. Learta Hollaj, Chief of Staff of the Presidency – online;
6. Mimoza Krasniqi, Chief Executive Officer of Education Code, Civil Society Representative – online;
7. Lulzim Sylja, Managing Partner at Elen Company - online.

NON-VOTING OBSERVERS:

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

OTHERS PRESENT:

1. Caitlin Reichart, Acting MCC Deputy-Resident Country Director for Kosovo – online;
2. Arta Krasniqi, General Counsel/Legal Director, MCA-Kosovo - online;
3. Burim Hashani, Deputy Executive Director for Programs, MCA-Kosovo - online;
4. Dritëro Jashari, Deputy Executive Director for Operations, MCA-Kosovo - online;
5. Genta Agaj, M&E Director, MCA-Kosovo – online; and
6. Elmedina Bajgora, Legal Specialist, 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 10:06 AM by 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 quorum. The Board Secretary, referring to the requirements stipulated under Article 3, Section 3.12. (b) (ii) of the Statute, confirmed the presence of quorum with five (5) government board members and two (2) non-government board members in attendance.

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 additional items for the agenda. After allowing time for consideration, no additional items were proposed by the Board members. 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 IMPLEMENTATION OF THE COMPACT PROGRAM

The Chair proceeded to the next item on the agenda, which was the Quarter Reports on Implementation of the Compact Program. The Chair invited MCA-Kosovo CEO, Ms. Florina Duli Sefaj (“**CEO**”) to provide a short presentation for the Board on the overall developments of the Compact Program during this quarter and then Deputy Executive Director for Programs, Mr. Burim Hashani, to provide further details on programmatic developments.

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 and Deputy Executive Director for Programs, Burim Hashani

MCA-Kosovo CEO expressed gratitude to the Board members for their participation and highlighted the progress achieved during the quarter spanning from September 17 to December 9, 2024. She detailed significant accomplishments, beginning with the Monitoring and Evaluation (“**M&E**”) Plan and the Anti-Fraud and Corruption (“**AFC**”) Activity. She noted that the M&E Plan received a No-Objection from MCC on November 22, featuring thirty (30) indicators for the Energy Storage Project (ESP) and thirty-six (36) indicators for the JETA Project. She emphasized alignment with the Government of Kosovo’s National Development Plan and outlined progress on the AFC Activity, including a completed AFC Risk Assessment Matrix – an activity conducted jointly by MCA-Kosovo and MCC AFC appointed team.

The CEO provided updates on administrative and operational milestones. The five-year work plans have been updated, and the Quarterly Disbursement Request Package, Procurement Plan, and Grants Schedule have been submitted for MCC’s No-Objection, with approval expected shortly.

She also highlighted several programmatic achievements. A key milestone recently completed was the procurement for the Design and Build of Utility Scale BESS and Transmission Connection Infrastructure, which was approved by the Board on December 4th. She commended the Board for their swift action in approving this procurement through electronic voting.

Additionally, the Program for the Protection of Vulnerable Electricity Consumers for 2024/2025 was approved on October 17, 2024. On September 30, 2024, the Centre for Energy, Skills, and Innovation was officially established by the Governing Board of the University of Prishtina. Efforts are now focused on finalizing the procurement process and selecting a contractor to operationalize the Center.

The CEO also mentioned the launch of the Energy for Equality Grants on November 4, 2024, noting the strong interest in the grants, which she highlighted as encouraging. While the quality of the proposals is still under assessment, the grants are offered in three tiers, including larger grants aimed at supporting major energy companies.

After her presentation, the CEO invited Mr. Burim Hashani, Deputy Executive Director for Programs, to provide further details on the programmatic developments.

1.1 BESS Project

Mr. Hashani thanked the Board members and began by sharing the latest update that MCC had provided a No-Objection on the documentation for the recruitment of ESCorp Board members and the vacancy notice. He explained that technical details, including translation, are being finalized. Once completed, coordination with the Ministry of Economy and the Office of the Prime Minister will take place to proceed with launching the public advertisement.

During this quarter, the Design and Supervision Consultant Contract was amended to revise the site arrangement and consolidate the procurement process into a single procedure with two lots. As a result, the project will now focus on two sites, located in Istog and Ferizaj.

Site surveys and geotechnical investigations for the new locations are currently underway. In Ferizaj, the selected site is located near Bondsteel, in the municipality's suburbs, where the BESS systems will connect to 110 kV lines.

In Istog, geotechnical investigations, supported by the Design and Supervision Consultant and MCC's Consultant, have been completed. Preliminary results indicate that the site is suitable, with no significant issues anticipated. Both sites, in Istog and Ferizaj, are strategically located near KOSTT substations. Mr. Hashani emphasized that no private land will be affected, as the sites are municipal property. Coordination with the Ministry of Economy is in progress to transfer the site ownership to KOSTT.

Additionally, the Implementing Entity Agreement with KOSTT is being amended to grant MCA-Kosovo full usage rights for the land throughout the Compact period, which extends until mid-2029. This arrangement ensures MCA-Kosovo can fulfill its role as the procurement authority for project assets, while ownership is transferred directly to KOSTT, streamlining the process and avoiding unnecessary procedural complications.

Continuing with updates related to KOSTT, Mr. Hashani reported that MCA-Kosovo is actively supporting the recruitment process for the KOSTT Project Implementation Unit ("PIU"). The hiring process for three project engineers and one environmental specialist has been completed, while the contract for the PIU Manager is in the final stages of approval.

Simultaneously, MCA-Kosovo will assist the Energy Regulatory Office (“ERO”) through a specific technical assistance and intends to enter into an Implementing Entity Agreement to formalize the institutional cooperation. This agreement will provide the necessary framework to support the ERO in adopting essential orders and regulations, particularly secondary legislation, to integrate Battery Energy Storage Systems (BESS) into the national energy system.

On the topic of ESCorp, Mr. Hashani outlined that MCA-Kosovo has prepared and obtained a No Objection (N-O) for technical assistance and training aimed at facilitating the functionalization and operationalization of ESCorp. A Request for Offers has been finalized and is ready to be published shortly, inviting applications for consultancy services to support ESCorp as a newly established Publicly Owned Enterprise.

Additionally, he noted that the evaluation of the recruitment firm that will support MCA-Kosovo with recruitment services associated with hiring ESCorp employees is in progress and is expected to conclude by December 2024. The contract commencement is scheduled to align with the appointment of ESCorp’s Board of Directors, enabling a smooth transition and initiation of operations.

1.2 JETA Project

Regarding the JETA Project, Mr. Hashani explained that for the "Energy Skills for the Future" Activity, a Design Consultant was initially engaged, but the contract was not continued. A new consultant is currently being procured to assist with the implementation phase, particularly in establishing the large training center for energy skills. The evaluation process for this consultant is at the final stage, and the contract is expected to commence by the end of January 2025.

Furthermore, Mr. Hashani highlighted the establishment of a Working Group between the University of Prishtina (UP) and MCA-Kosovo. This group is responsible for drafting the Implementing Entity Agreement between UP and MCA-Kosovo, which will facilitate the financing of the training center, as well as the CESI Internal Regulations. These are all expected to be defined in collaboration with UP in the coming months.

1.3 ACFD Project

Regarding the ACFD Project, Mr. Hashani informed the Board that the second outreach event or informative session took place on October 3rd, 2024. He noted that the event successfully attracted a strong group of potential bidders and applicants for support from U.S. International Development Finance Corporation (“DFC”) and MCA-Kosovo. Publicly owned companies were specifically invited, as there is potential for large public and private partnership (“PPP”) projects. Additionally, the private sector, particularly those focused on green economy projects, was also encouraged to participate.

Mr. Hashani shared that the fourth proposal received involves a solar power plant project with a capacity of 68 MW, potentially incorporating battery storage. The proposals have been processed and sent to DFC, and they are now awaiting feedback. Coordination with DFC is ongoing to assess the timeline, as investors are eager to learn the outcome of their applications.

He encouraged Board members to leverage their networks to promote green economy projects and encourage private businesses, as well as any other relevant parties, to explore opportunities for collaboration with the Government or through PPPs. With DFC’s portfolio of \$60 billion, Mr. Hashani emphasized the

significant opportunities available to channel investments into Kosovo's economy through the MCA-Kosovo.

2. Questions and clarifications regarding the updates and presentations

After Mr. Hashani concluded his presentation, the Chair of the Board asked whether any follow-up is needed with the Municipality of Ferizaj and if a response from them is expected soon. Mr. Hashani explained that they are in regular contact with the Municipality and have not received any feedback indicating issues or concerns. The Municipality is currently processing the requests, and there are no anticipated challenges. He assured the Board that they would be informed if anything further is required.

The Chair of the Board, regarding the ACFD Project, asked if the Board could receive a brief written description of the proposals that have been received, as well as a summary with relevant links that could be shared through social media and the Ministry's website. Mr. Hashani emphasized that they are working on outreach and recognized the value of the Ministry's visibility in sharing this information. He mentioned that they had already prepared similar content for their own social media platforms, such as LinkedIn, and would promptly send the requested summary of the projects, primarily focusing on solar energy, to the Board.

Ms. Mimoza Krasniqi, a non-government Board member, inquired whether the proposal for the civil society projects scheduled for launch could be shared, referencing her understanding that it was due to be announced today. Mr. Hashani clarified that she was referring to the JETA Project and its associated grants, noting that the call for civil society organizations ("CSOs") would remain open until the 16th of December. The CEO further emphasized that the link to the proposal would be distributed to the Board members to ensure broader outreach.

Mr. Lulzim Syla, a non-government Board member, inquired about the possibility of proposing a project idea or financial concept to MCC and MCA-Kosovo to support institutions across Kosovo. He noted that there are over 33,000 institutions, including residential clients, businesses, and industries, and suggested a project that could integrate solar energy, small-scale energy storage, solar heating systems, and other energy efficiency and renewable energy measures throughout Kosovo. Mr. Syla proposed that the project could engage a broad range of stakeholders beyond MCC, including residential clients, businesses, and industries, while also seeking additional support or donors. The proposed project could range in size from €1 million to €10 million, depending on its structure. He inquired whether he could share the proposal with the Board and discuss its potential in a future meeting.

The Chair asked if the executive staff members would be able to assess whether this idea could fit into any existing project components. Mr. Syla confirmed that he believed the project could be integrated into the Compact strategy and suggested that they could discuss any necessary adjustments later.

The CEO responded that the request could be approached by sharing a fact sheet for the ACFD project. Once everyone has reviewed the fact sheet, it would be determined if the proposal aligns with existing instruments. If not, a separate meeting could be arranged to discuss potential new interventions. For now, the best opportunity for new proposals would be through the ACFD project.

Mr. Lulzim Syla agreed to share his proposal with the Ministry of Economy, particularly with Minister Rizvanolli, and collaborate on exploring the next steps. The Chair concluded by confirming that the Board would review the fact sheet and then explore Mr. Syla's proposals.

With no further questions from the Board members, the Chair moved on to the agenda action items.

IV. DISCUSSION AND AGENDA ACTION ITEMS

1. Approval of Monitoring and Evaluation ("M&E") Plan

The Chair then proceeded to the next point on the agenda, which was the approval of the Monitoring and Evaluation ("M&E") Plan. The Chair invited MCA-Kosovo's Deputy Executive Director for Operations, Mr. Dritëro Jashari to present this agenda item.

Mr. Jashari explained that Monitoring and Evaluation is part of the Conditions Precedent for disbursement of MCC Grant Funding under the Compact. Before the first disbursement of program funding, the requirement was for MCA-Kosovo to develop and adopt a comprehensive M&E Plan that is satisfactory to MCC. This has been deferred to 180 days after the Entry into Force (EIF), as per the M&E Policy. Similarly, before the first disbursement of funding for the JETA Project, the requirement is for MCA-Kosovo to adopt an M&E Plan with Project Objective-level indicators, including baselines and targets consistent with a cost-benefit analysis, in a form and substance satisfactory to MCC. This has been deferred to Quarter 7.

He mentioned that the Board had already been provided with all supporting documents regarding the M&E Plan, but he briefly outlined its contents, which include the program background, program and project objective overview, narratives for the three projects, and project logics explaining how the project objectives will be achieved. The plan also includes an economic analysis with beneficiary analysis and cost-benefit analysis, largely drafted by MCC M&E. Additionally, the M&E Plan covers monitoring efforts, including addressing data quality, and evaluation plans for each project, also largely drafted by MCC M&E. It further defines roles and responsibilities and includes a budget with high-level costs. Finally, the plan specifies indicator annexes, detailing all indicators, including baselines and targets for each result in the project logic.

He mentioned that the JETA Project Plan will be updated regularly to reflect the latest information provided by project leaders and will include descriptions of the expected results. He also explained that a monitoring framework will be established, which will describe the evaluation plan, document all M&E indicators, and outline roles and responsibilities for each part of the process. He added that a summary project logic for both projects, BESS and JETA, has been included in the presentation, with an extended version available for further review.

Board member Lulzim Sylja asked about the timeline for the first training under the JETA Project through University of Prishtina, specifically whether there was a set deadline. Mr. Hashani responded that, considering the various factors involved such as selecting a new consultant, drafting an implementing entity agreement, staffing, infrastructure investments, and hiring contractors for design, supervision, and equipment, the project timeline is aimed for mid-2026. While the goal is to start the first training in early 2026, the plan indicates that the training is unlikely to begin before mid-2026.

Board member Mimoza Krasniqi inquired whether there would be an open call for students, in addition to targeting workers already employed in renewable energy companies or related businesses.

Mr. Hashani responded that the plan includes offering training to both unemployed individuals and those currently employed in the energy sector or closely connected fields. He emphasized the program's aim to target a broad audience, focusing on upskilling, work-based learning, and particularly encouraging women and minorities to assume leadership roles or secure better positions in their workplaces. The initiative also seeks to create new employment opportunities within the energy sector.

Board member Mimoza Krasniqi followed up with a question regarding the strategy for selection and whether this process would be handled by the company delivering the training.

Mr. Hashani explained that the training center would implement various strategies to attract applicants. These include partnerships with employers for direct engagement, open calls for individuals to apply, and collaborations with other institutions. Training will incorporate theoretical and practical components, along with work-based learning opportunities. Outreach efforts will target minorities, disadvantaged groups, and individuals from remote areas. Additionally, mechanisms like government scholarships will be explored to support participants who face financial or logistical challenges in attending the training.

The discussion progressed specifically to the process of establishing targets and indicators for the JETA and BESS projects. Chair of the Board, Minister Rizvanolli, sought clarification on the status of the targets, specifically inquiring whether they had already been set or were planned to be set at a later stage.

Mr. Jashari, addressing the JETA Project, explained that while some project objective-level indicators have been deferred to the last quarter of 2025 due to the ongoing development of the Environmental and Social Framework, other targets have already been established. He offered to involve the Director of Monitoring and Evaluation (M&E) to provide additional insights, if needed.

The Chair of the Board then inquired specifically about the targets for the BESS Project. Mr. Hashani responded by noting that the Director of Monitoring and Evaluation (M&E), Ms. Genta Agaj, was present to provide further clarification. He explained that some targets remain undefined, particularly those related to the reduction in costs associated with securing adequate electricity. Ms. Agaj elaborated that MCC initially sought to estimate these reduced costs using the PLEXOS model. However, challenges encountered during this process led to a shift to an excel-based methodology. Due to uncertainties around critical factors—such as the exact mix of how the second battery will be used, especially since the amount that is going to be divided between MFRR, arbitrage and other uses is not known—the reduced costs targets could not yet be determined.

At this point in the meeting, the Chair of the Board emphasized the importance of knowing **when the targets will be set and the possibility for revision**, as many of the indicators are difficult to predict at this stage. The Chair wanted clarification on the level in which they would be set and how flexible they would be—specifically, whether they could be revised as the project progresses and more information becomes available.

Ms. Agaj responded by explaining that **MCC prefers not to set targets when there is uncertainty**, as recalculating them later would be difficult. For this reason, certain targets have been left as **"to be determined" (TBD)** in areas where they are not confident in the data.

The Chair then sought clarification on the areas that are currently considered **certain**. Ms. Agaj identified **availability of battery storage systems** as a sure target, explaining that the **number of hours the battery will run** is easier to calculate. However, the Chair followed up, asking if this target accounted for capacity as well, to which Ms. Agaj clarified that **the target is based solely on operational hours**, regardless of the capacity.

Next, the Chair inquired whether the Operations Unit still hoped to **procure more storage capacity** than originally planned. Mr. Hashani expressed optimism, stating that while other costs, like those related to substations, might limit flexibility. For now, they are proceeding with estimates based on previously

planned capacities: **125 MW for ESCORP with a 2-hour duration** and **45 MW for KOSTT with a 2-hour duration**.

As the discussion continued, the Chair requested further clarification on other indicators that have already been set. Ms. Agaj mentioned that **capacity** and some of the **output indicators**, such as when we expect the battery to be constructed, the number of staff to be trained, are already set. However, **how the services provided by ESCorp will be divided and how much revenue ESCorp will generate from different services** remain unclear, meaning they cannot yet set targets in these areas.

The Chair then emphasized the **importance of maintaining transparency and timely updates** as the project moves forward, particularly concerning the balance between **commercial viability** and **public service obligations**. The Chair underscored the need to keep the Ministry of Economy and the regulator informed and ready to provide feedback as the technical details are finalized.

For the purposes of the official record, it is noted that Board member Ms. Learta Hollaj departed the meeting at 10:40 AM.

The discussion concluded with the approval of the M&E plan by all seven (7) members of the Board of Directors present in the through unanimous consent. Therefore, the following resolution was passed:

“RESOLVED THAT: the Monitoring and Evaluation (“M&E”) Plan is hereby approved by the Board of Directors.”

2. Approval of Amendments to Procurement and Grants Package Plan

The Chair then proceeded to the next agenda item, which involved approving amendment to the Procurement and Grants Package Plan (“**PGPP**”). Mr. Jashari was called upon again to present this point.

In addition to the procurement plan approved by the Board via email, a short status update was provided, highlighting new items and changes. It was emphasized that the changes primarily involve transitioning funding from the Compact Facilitation Funding to Compact Funding, without altering the procurement processes.

The new procurement activities included:

1. **Design and Supervision for Infrastructure works** at the University of Prishtina related to the Energy Skills for the Future project, more specifically to the creating a dedicated Training Center to design and deliver Vocational Education and Training (VET) programs tailored to the needs of the energy and adjacent sectors.
2. **Individual consultants for Offeror Review Panels for Procurement and Selection Committee for Grants**, which would operate on a **Blanket Purchase Agreement (BPA)** basis, utilized only on a need-by-need basis.

3. **Office cleaning services**, which will be procured for until the end of the Compact, with a **20% increase in the contract value** to cover potential cost changes in future years.
4. **Personal protective equipment** for MCA Kosovo staff, related to infrastructure works.
5. **A bank agreement procurement**, as MCA Kosovo intends to change the Banking service provider to utilize better offers that have been presented during the market research that has been conducted.
6. **Fire safety measures** for all MCA Kosovo offices, along with **micro-climate and electrical measuring devices** to ensure compliance with health and safety regulations.
7. **First aid kits, drawers for MCA-Kosovo Offices and office maintenance tools**, MCA Kosovo plans to procure several items to enhance office operations and maintain a safe, organized, and functional environment. This includes drawers for the office to improve organization and storage efficiency, ensuring a tidy workspace and easy access to documents and materials. Additionally, MCA Kosovo will procure a first aid kit, to ensure preparedness in the event of an accident at the workplace. To support ongoing maintenance, office maintenance tools will also be acquired to facilitate the timely repair and upkeep of office facilities and equipment, ensuring a professional and operational workspace.

Additionally, changes to existing procurement lines were noted:

- A procurement line for Fence Around One Project site, BESS Fundamentals Training and Health and Safety Training for KOSTT PIU have been deactivated.

These updates and changes to the procurement plan were shared for the Board's awareness, and the adjustments to funding and procurement activities will help ensure the smooth execution of the project as it progresses.

Question was raised by the Chair of the Board regarding the removal of the **BESS Fundamentals training**. Mr. Jashari clarified that the decision was made because MCA Kosovo is no longer pursuing that training, as it was applicable to MCA-Kosovo staff. As for the **health and safety training** for the KOSTT PIU, which was previously listed, Mr. Jashari highlighted that this has been moved to another non-procurement – Operational Expenses (“**OPEX**”). This change is in line with MCA-Kosovo Fiscal Accountability Plan, which allows for training provided by a single supplier to be funded through operational expenses.

Following these clarifications, the Chair asked if there were any further questions or clarifications from Board members. After no further objections were raised, the Chair called for a vote to approve the proposed amendments to the Procurement and Grants Package Plan. Seven (7) members of the Board present in the meeting voted unanimously, and the following resolution was passed:

“RESOLVED THAT: Proposed amendments to the Procurement and Grants Package Plan are approved by the Board of Directors.”

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

The Chair then proceeded 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 the proposed changes to the Organizational Structure of MCA-Kosovo, which included the addition of two positions: (i) a System Administrator Specialist and (ii) a Communication Specialist.

Mr. Jashari explained that the System Administrator Specialist would be part of the Operations Unit, reporting to the Information Technology Manager. This position was deemed necessary to support the sophisticated data center, which is essential for MCA-Kosovo's operations. The current IT Manager has been overloaded with responsibilities, and the addition of a System Administrator Specialist would ensure continuity, system reliability, and security, as well as provide coverage during staff absences or emergencies.

Mr. Jashari further explained that the Communication Specialist would report to the Communications Director and address the growing demand for social media management and communication coordination due to the increasing scope of MCA Kosovo's activities. The Communication Specialist would focus on optimizing social media strategies, ensuring consistent and engaging content, and supporting events and activities while managing ongoing communication goals.

Both proposed positions were developed in consultation with MCC counterparts, and Mr. Jashari indicated that no objections were anticipated from MCC regarding the proposed changes. Board Secretary, Ms. Arta Krasniqi, clarified the standard procedure, noting that the Board reviews only documents that have been pre-approved by MCC. In this case, MCA-Kosovo does not foresee any material changes from MCC to the proposals. However, if MCC does propose changes, Ms. Krasniqi assured the Board that she would notify them in writing and seek their approval for the revisions. If necessary, the Board would reconvene to approve such changes.

In light of these considerations, 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. Seven (7) members of the Board present in the meeting 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 Communications and System Administrator Specialist."

4. *Approval of Amendment No. 1 to the Rules and Procedures for the Functioning of the Procurement and Grants Committee with regards to the composition of PGC*

The Chair then moved to the next agenda item, which involved the approval of Amendment No. 1 to the Rules and Procedures for the Functioning of the Procurement and Grants Committee with regards to the composition of PGC. She then invited Secretary to the Board, Ms. Arta Krasniqi to present this item.

Ms. Arta Krasniqi presented the proposed amendments to the Rules and Procedures for the Functioning of the Procurement and Grants Committee ("PGC"), highlighting that the changes were aimed at improving the Committee's ability to function smoothly in line with MCC Program Procurement Guidelines. She explained that challenges in convening the Committee, particularly due to the unavailability of the alternate member representing the Ministry of Economy, had led to the need to send certain decisions to the Board that could have been approved at the Committee level.

To address this issue, Ms. Krasniqi proposed removing the requirement for a specific government Board member, and instead allowing for any government Board member to represent the Government on the PGC when necessary - thereby allowing flexibility, ensuring quorum and continuity in decision-making. Ms.

Krasniqi explained that this adjustment would still comply with the MCC Accountable Entity Guidelines and the MCA-Kosovo's Statute, which require at least one government Board member to be present.

The Chair sought clarification on how this would work in practice and whether the process for appointing a substitute government representative would require additional procedures.

Ms. Krasniqi clarified that it would be beneficial to designate the alternate representative during a Board meeting and document this decision in the meeting minutes for clarity and proper record-keeping. This arrangement would allow for flexibility, enabling the offer to extend to another government Board member in the event that the designated representative is unavailable. While the aim is to invite the same representative consistently, the proposal provides the option for an alternative when necessary.

The Chair stressed the importance of procedural clarity, particularly regarding the practical application of the process, and inquired whether the CEO would have the discretion to appoint a substitute, provided no additional requirements were necessary from the Board. Ms. Krasniqi confirmed that no further procedures would be required to appoint a substitute and that the rules would offer flexibility in determining who would represent the Government. The Chair then requested that Ms. Krasniqi update the Board on how the new arrangement would be implemented in practice.

Following further discussion, the Board voted on the proposed amendment. There were no objections, and with seven (7) votes in favor, the following resolution was passed:

“RESOLVED THAT: Proposed Amendment No. 1 to the Rules and Procedures for the Functioning of the Procurement and Grants Committee with regards to the composition of PGC is approved by the Board of Directors.”

5. Ratification of Board decisions without a meeting dated December 4, 2024, on following procurement-related documents: (i) Amendments to the Procurement and Grants Package Plan; (ii) Contract for Audit Services; (iii) Amendment to the Contract with the Procurement Agent; (iv) Amendment to the Individual Consultancy Service Agreement for the BESS Program

The Chair proceeded to the next agenda item: the Ratification of Board decisions via email on the following procurement-related documents:

- Amendments to the Procurement and Grants Package Plan (“PGPP”);
- Contract for Audit Services;
- Amendment to the Contract with the Procurement Agent;
- Amendment to the Individual Consultancy Service Agreement for the BESS Program.

The Chair then invited the Board Secretary to present this item. The Board Secretary, Ms. Krasniqi, explained that, in accordance with the authorizations for decisions without a meeting outlined in the MCA-Kosovo Statute, the Board has approved the above-mentioned procurement-related documents via email on December 4, 2024, with six (6) votes in favor from the Board members. She further explained that 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 decisions taken via email on December 4, 2024, where six (6) Board members approved the proposed procurement-related documents. Seven (7) members of the

Board present in the meeting voted unanimously in favor of ratifying the decisions made by the Board without a meeting. Therefore, the following resolution was passed:

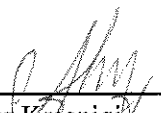
“RESOLVED THAT: the Board of Directors hereby ratify the decisions taken via email on December 4, 2024, to approve the following procurement-related documents: (i) Amendments to the Procurement and Grants Package Plan, (ii) Contract for Audit Services, (iii) Amendment to the Contract with the Procurement Agent, (iv) Amendment to the Individual Consultancy Service Agreement for the BESS Program.

V. 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 **11:20 AM**.

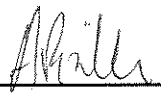
The Chair informed the Board that the meeting minutes will be prepared by the Board Secretary and subsequently submitted to the Board for review and approval. Both the Chair and the Board Secretary will co-sign the finalized minutes.

Certified by:



Artta Krasniqi
Secretary of the Board
MCA-Kosovo

Acknowledged by:



Artane Rizvanolli
Chairman of the Board of Directors
MCA-Kosovo