

NO 02 | 2023

POLICY BRIEFING
KOSOVO

Proposal for the composition of the Investment Attraction Agency in the Republic of Kosovo (KIAA)

by Björn Vogler

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3. Proposed organisational structure
4. Proposed duties and responsibilities of divisions
5. Proposed number of positions
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1. Introduction

Based on the Draft Law on Sustainable Investments, this briefing outlines a proposal for the composition and functions of the planned Investment Attraction Agency in the Republic of Kosovo (KIAA)

- » Various countries have recently restructured their institutional framework for investment and export promotion, innovation, SME and zone development
- » The Government of the Republic of Kosovo is also planning an institutional reform. The draft Law on Sustainable Investments foresees the establishment of two agencies – one for export and investment promotion (KIAA) and one for mandates related to innovation, tourism, SME and park development (ASEK)
- » To support the drafting of sub-legal acts, this briefing outlines a proposal for the composition of KIAA reflecting:
 - the mentioned Draft Law on Sustainable Investments
 - consultations with key stakeholders
 - previous work in Kosovo such as the policy briefing “Institutional reform paths for KIESA across related mandates” (PB 2021/02)
 - international experience in designing relevant institutional reforms

2. Success factors for the design of the organisation

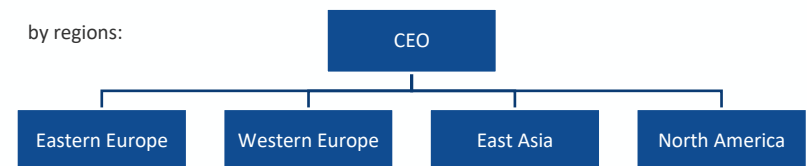
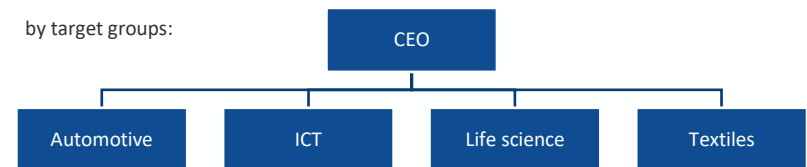
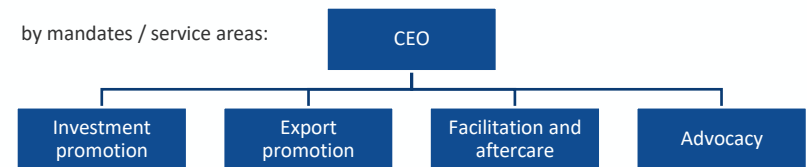
Considering international experience, the organisational structure – such as the number and tasks of units and how they are divided up – of agencies involved in investment and export promotion can take various forms

» An effective organisational structure...

- reflects the core tasks, processes and strategic approach of the agency
- clearly allocates responsibilities and is transparent for customers, staff and stakeholders alike
- facilitates the use of synergies and avoids the duplication of competencies
- consistently adheres to guiding organisational principles

» Common are organisational structures, where the focus is on specialisation by target groups or mandates

Different types of structures of agencies involved in investment and export promotion

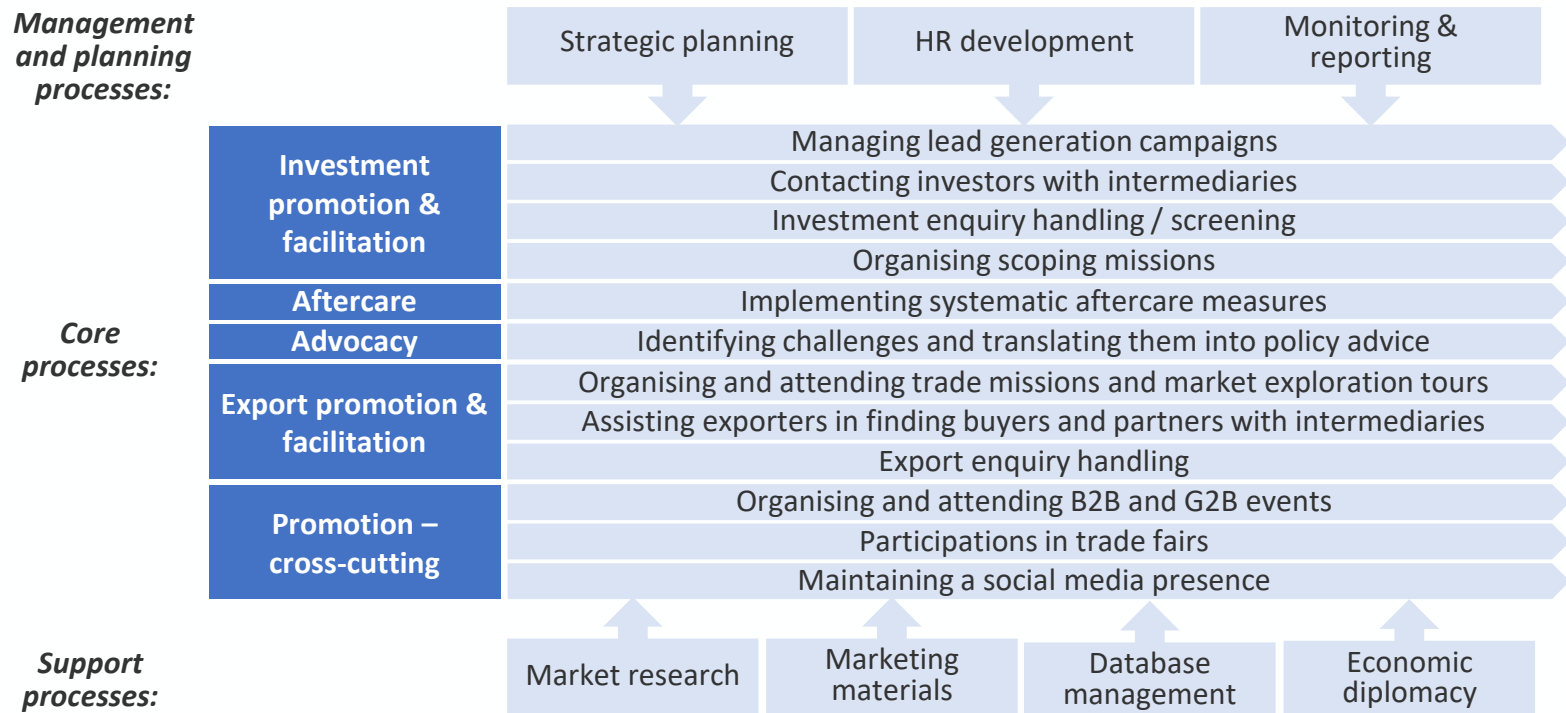


Source: Own research

2. Success factors for the design of the organisation

The alignment of the organisational structure with the main processes plays a critical role for the operational efficiency of an agency

Exemplary main processes of agencies involved in investment and export promotion



Source: Own research

2. Success factors for the design of the organisation

Agencies around the globe are increasingly adopting a target-group-oriented approach towards investment and export promotion and align their structure accordingly. Such a model offers the following benefits:

- » Industry-specific expertise and networks can be built up increasing the effectiveness of promotional measures and the contribution to the development of relevant ecosystems
- » Synergies can be generated between investment- and export-related activities of the agency
- » It is transparent and easy to understand for employees, customers and stakeholders fostering cross-organisational cooperation
- » It avoids the duplication of expertise and provides a sound basis for efficient processes following a “one face to the customer” approach

3. Proposed organisational structure

Taking into account international experience as well as the research carried out on the local context, the following organisational structure with the depicted departments and divisions* is proposed

Proposed organisational structure for the Investment and Export Promotion Agency



* It is assumed that general support services such as HR or procurement will be provided by the Prime Minister's Office. If this is not possible, a further divisions for internal services could be added

3. Proposed organisational structure

The proposed structure enables specialisation where needed (e.g. establishing industry-specific divisions), while making use of synergies where possible (e.g. consolidating cross-cutting competencies)

- » The divisions in the first department combine export and investment promotion tasks including systematic aftercare...
 - based on a target-group-oriented and one-face-to-the-customer approach
 - driving the related core processes integrating the expertise of other divisions
- » The divisions in the second department pool cross-cutting competencies and activities to avoid duplication. This relates, amongst others, to:
 - Market intelligence, monitoring and strategic planning including coordination of economic diplomacy activities with strategic partners
 - Export and investment facilitation, e.g. screening, site selection, tax- and incentive-related services
 - Advocacy addressing amongst others challenges identified by the divisions working with exporters and investors or in organised public private dialogues
 - Communication, e.g. country branding, event planning and online marketing

4. Proposed duties and responsibilities of divisions

Reflecting the provisions in the Draft Law on Sustainable Investments, the table below details the proposed duties and responsibilities for each division:

Unit	Duties and responsibilities
Division ICT, BPO and further Service Industries	<p>For the defined target-group-spectrum:</p> <ul style="list-style-type: none"> • Identifying promising segments for investment promotion and export promotion measures • Managing lead generation campaigns to reach out to the target audience • Organising and attending trade missions and market exploration tours and participating in trade fairs and events in close collaboration with the “Division Communication and Events” to meet potential investors and buyers
Division Light Industries and Agroprocessing	<ul style="list-style-type: none"> • Handling export and investment enquiries • Implementing a systematic customer relationship management throughout the investment and export cycle integrating the support of the “Division Specialised Facilitation Services” • Maintaining a database of exporting companies • Organising regularly individual meetings with existing investors and assisting them with identified challenges related to their investment projects
Division Manufacturing, Energy and Infrastructure	<ul style="list-style-type: none"> • Helping investors and exporters expand their activities integrating the support of the “Division Specialised Facilitation Services” • Gathering information on investors’ and exporters’ needs supporting the division “Advocacy and Public Private Dialogue” • Establishing and maintaining a network of intermediaries within Kosovo and at the international level for investment and export promotion activities • Implementing national programmes and international projects supporting investment attraction and export promotion measures

4. Proposed duties and responsibilities of divisions

Reflecting the provisions in the Draft Law on Sustainable Investments, the table below details the proposed duties and responsibilities for each division (cont.):

Unit	Duties and responsibilities
Division Market Intelligence and Strategic Planning	<ul style="list-style-type: none"> • Gathering up to date information on investment trends and dynamics in key export markets • Developing, maintaining and subscribing to necessary FDI and export intelligence databases and tools • Defining KPIs (Key Performance Indicators) for all core tasks of the agency and regularly tracking progress • Preparing monitoring reports for the different core tasks including the implementation of strategic investments • Drafting strategic and annual activity plans for the agency • Coordinating the planning and implementation of economic diplomacy activities in the area of export and investment promotion with relevant ministries, embassies, agencies and further stakeholders involved • Keeping up to date with international programmes, projects and funding opportunities for investment and export promotion activities • Developing proposals and preparing applications for relevant international programmes and projects in close collaboration with other divisions and further partners
Division Advocacy and Public Private Dialogue	<ul style="list-style-type: none"> • Systematic monitoring of challenges of exporters and investors including dispute resolutions in close collaboration with the industry-specific divisions of the agency and further partners • Complementary surveys and further research on business and investment climate challenges of relevance for export and investment promotion activities • Organising and documenting regular public private dialogue formats including necessary working and steering groups for topics of relevance for investment and export promotion activities • Preparing reports on the identified challenges and recommended solutions and policy reforms building on the results from the public dialogue formats and further research • Implementing national programmes and international projects supporting public private dialogues and business and investment climate reforms

4. Proposed duties and responsibilities of divisions

Reflecting the provisions in the Draft Law on Sustainable Investments, the table below details the proposed duties and responsibilities for each division (cont.):

Unit	Duties and responsibilities
Division Specialised Facilitation Services	<p>Support the industry-specific divisions with respect to:</p> <ul style="list-style-type: none"> • Screening of investors and exporters and their planned projects • Reviewing and evaluating requests for strategic investments incl.: <ul style="list-style-type: none"> – Accepting proposals – Preparing records and requesting necessary data and documents for the evaluation of the investment project – Evaluating proposals with the help of the responsible and supporting institutions – Presenting the proposals to the Investment Council incl. recommendations for proclamation, refusal or revocation of the strategic investment – Assisting the “Division Market Intelligence” with the monitoring and reporting on strategic investment • Providing information on relevant characteristics of the investment and business environment as well as investment- and export-related administrative processes • Assisting with business registration procedures and applications for permits, licenses and incentives • Preselecting suitable investment sites and organising tailored scoping missions • Maintaining necessary databases, e.g. database of investment sites • Helping investors to find the right employees and skill sets facilitating contacts to relevant universities and training providers • Navigating & fast-tracking administrative processes and undertaking structured troubleshooting • Establishing and maintaining a network of service partners (e.g. other agencies, chambers and associations) to offer a comprehensive portfolio of support services for investors and exporters

4. Proposed duties and responsibilities of divisions

Reflecting the provisions in the Draft Law on Sustainable Investments, the table below details the proposed duties and responsibilities for each division (cont.):

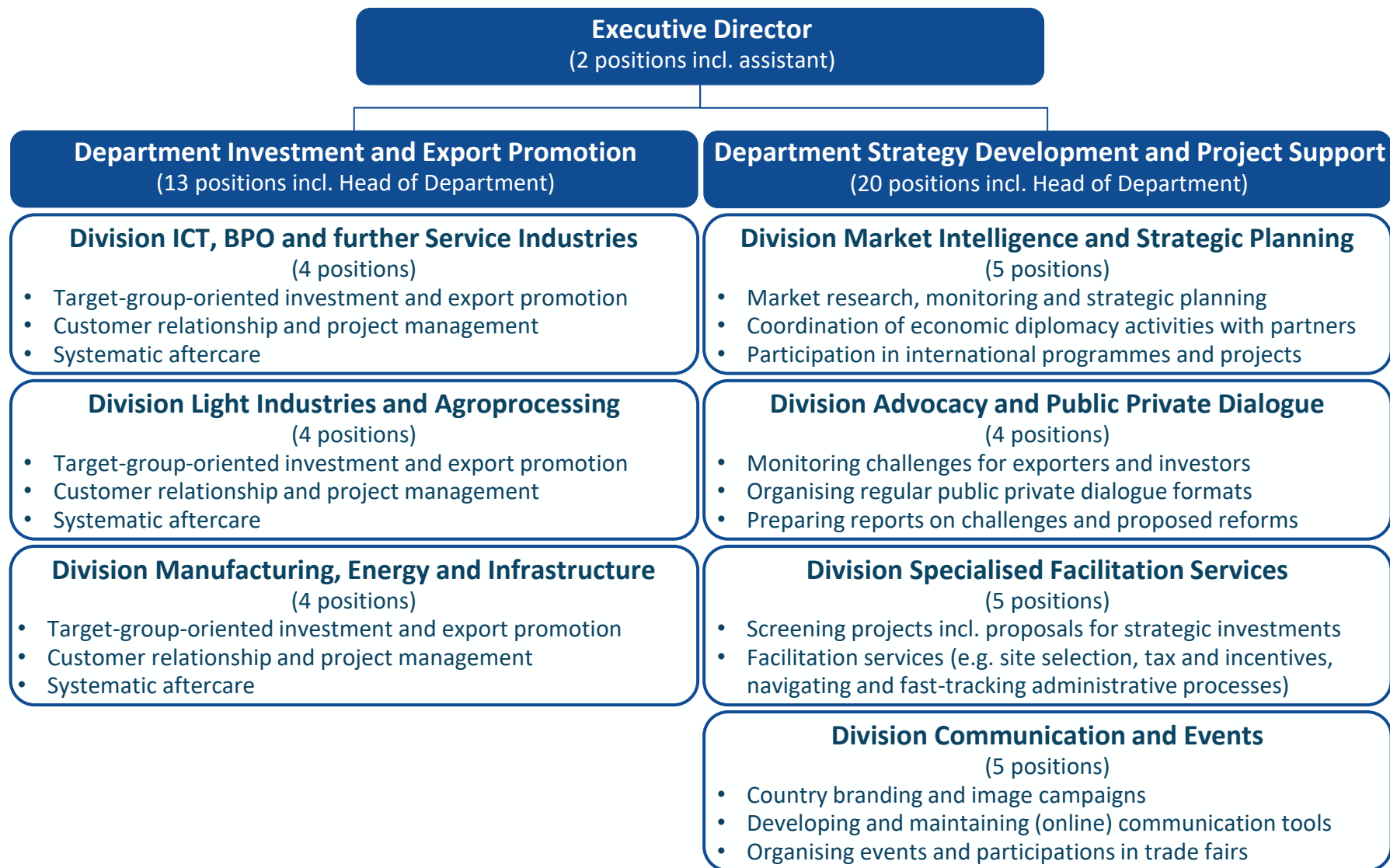
Unit	Duties and responsibilities
Division Communication and events	<ul style="list-style-type: none"> • Designing and implementing coherent country branding and image campaigns • Maintaining the agency's website and social media presence creating target-group-oriented content in close collaboration with other divisions • Developing and updating further marketing tools (e.g. investment guides, target-group specific fact-sheets) • Assisting the other divisions in designing presentations, reports and further materials ensuring brand consistency • Organising events and participations in trade fairs in close collaboration with the other divisions • Designing and implementing complementary PR activities • Assisting the "Division Market Intelligence and Strategic Planning" in monitoring communication activities and their impact • Maintaining a network of partners to generate synergies with communication activities of other institutions and stakeholders

5. Proposed number of positions

From today's perspective, for the identified duties and responsibilities in total 35 positions are needed, which can be divided up as follows:

Unit	Positions	Total
Management	1 Executive Director 1 Assistant to the Executive Director 2 Heads of Department	4
Division ICT, BPO and further Service Industries	1 Head of Division 3 Investment and export promotion specialists for target industries (e.g. ICT specialist)	4
Division Light Industries and Agroprocessing	1 Head of Division 3 Investment and export promotion specialists for target industries (e.g. agroprocessing specialist)	4
Division Manufacturing, Energy and Infrastructure	1 Head of Division 3 Investment and export promotion specialists for target industries (e.g. energy specialist)	4
Division Market Intelligence and Strategic Planning	1 Head of Division 1 Market research and intelligence specialists 1 Monitoring and reporting specialist 1 Economic diplomacy specialist 1 Specialist for international programmes and projects	5
Division Advocacy and Public Private Dialogue	1 Head of Division 3 Specialists for public private dialogue and business and investment climate reforms	4
Division Specialised Facilitation Services	1 Head of Division 3 Investment and export facilitation specialists (e.g. legal, tax, incentives, locations, labour)	5
Division Communication and Events	1 Head of Division 4 Specialists for events and communication (e.g. online marketing and social media, PR)	5
Total		35

6. Overview of the composition and functions*



* It is assumed that general support services such as HR or procurement will be provided by the Prime Minister's Office. If this is not possible, a further divisions for internal services could be added

About the German Economic Team

Financed by the Federal Ministry for Economic Affairs and Climate Action, the German Economic Team (GET) advises the governments of Ukraine, Belarus*, Moldova, Kosovo, Armenia, Georgia and Uzbekistan on economic policy matters. Berlin Economics has been commissioned with the implementation of the consultancy.

**Advisory activities in Belarus are currently suspended.*

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