



REPUBLIC OF KOSOVO
Ministry of Trade and Industry

FACTSHEET

K **10%**
Corporate profit tax

S Free access to
520 million
EU Consumers

V **FREE LAND**
To Foreign Investors

Geography

- Land area** 10,908 km²
- Terrain** Low flood plains through central Kosovo, surrounded by mountains to the north, west and south.
- Land Use** 52% agriculture, 39% forests
- Capital** Prishtina est. population 200,000

OUR MESSAGE TO FOREIGN INVESTORS

The Investment Promotion Agency of Kosovo (IPAK) is the primary Government Institution supporting foreign investments in the Republic of Kosovo.

IPAK provides a range of support programmes to help international businesses achieve their relocation objectives and the Agency is also charged with the promotion of exports.

Free-of-charge Services

Information on investment opportunities in Kosovo, business and legal environment, assistance with local authorities, after-care-services, etc.

INVEST IN KOSOVO.
ignite your success!

For further information please contact:

IPAK

Investment Promotion Agency of Kosovo

Muharrem Fejza str. Lagjja e Spitalit
10000 Prishtina, Republic of Kosovo
T 00381 (0)38 200 36 585
www.invest-ks.org • info@invest-ks.org

Population

Population	Approximately 1.8 million
Ethnic composition	90% Albanians, 5%Serbs, 2%Muslim Slavs (Bosniaks, Gorans), 2% Roma and 1%Turks
Distribution	42% urban, 58% rural
Diaspora	over 800,000 people living abroad
Languages	Albanian, Serbian, English.



Investment Opportunities

Kosovo offers excellent investment opportunities in agriculture, food processing, wood processing, ICT and shared services, construction, automotive components, textiles, tourism, mining, and energy. For additional information on investment opportunities contact: **IPAK** at www.invest-ks.org



Education

The compulsory school and higher education systems have been reformed, lending great importance to their quality.

Over 45,000 students at two public universities and over 10,000at private universities and colleges. New world class public university in Prizren.

Over 8,000 graduates per year.



Economy

Currency: EURO

Gross Domestic Product (GDP): In 2011: € 4.7 billion, Per capita: €2,700, Growth rate: 5,0% Mostly driven by private sector growth.

Inflation: On average 4.4 % per annum over the past five years.

Financial Sector: Two tier banking system consisting of Central Bank of the Republic of Kosovo and eight private Banks, 11 Insurance companies and two pension schemes.

Enterprises: Over 60,000 active SMEs in 2011, app. 50% of total SMEs engaged in trade industry. The number of SOEs in PAK's portfolio is 595, out of which 329 SOE were partially privatized, resulting with the sale of 688 New Companies and Assets sold through liquidation sales.

Budget: In 2012 totalling app. €1.52 billion.

Tax System: VAT 16% Corporate Profit Tax 10% Personal Income Tax progressive max. 10%

Tariff duties: 10% customs duties on imports, no duties on raw materials, capital and intermediary goods; Excise tax on fuel, tobacco alcohol and luxury goods. No duties and taxes on exports.

Free trade: Customs-free access to the EU market based on the EU Autonomous Trade Preference (ATP) Regime, Central European Free Trade Agreement – CEFTA and preferential treatment of exported goods in the US market.

Labour market: Average monthly labour cost 300 Euro in 2011, skilled and well educated work force.

Location factors: Competitive, well educated and young workforce, enviable natural resources (mining, agriculture), low taxes and a transparent tax system, customs free access to the markets of CEFTA, EU and USA, Euro as official currency.

European Integration and Membership to international Bodies

Participant in the Stabilization and Association Process (SAP), the EU's policy framework towards the Western Balkans, by following the guidelines of steers Kosovo's reform process according to EU best practice and European legislation.

EU-Mission in Kosovo (EULEX) helping to strengthen rule of law.

Member of the World Bank and International Monetary Fund.

Negotiations for a trade agreement with the EU currently underway.



Judiciary

Applicable commercial Law: Built in compliance with EU-Legal Framework, all laws available online and in English.

Court structure includes the Supreme Court of Kosovo, Appeal Court and Basic Court. A Special Chamber of the Supreme Court deals with Kosovo Privatization Agency related matters. Arbitration disputes are handled by American Chamber of Commerce in Kosovo and Kosova Chamber of Commerce.

Security

App. 7,500 Kosovo Police (KP) officers; 5,000 NATO Peacekeepers, 1,950 international officials.

Specialized agencies, including Kosovo Anti-Corruption Agency, investigate misuse of public money and financial crime.



Telecommunication

Telecommunication: The Post and Telecommunication of Kosovo (PTK) offers a comprehensive range of services: Post (120 post offices), fixed and mobile telephony, Internet ("Dardanet").

Fixed network: 92,000 fixed telephone connections in 1999; currently around 135,000. Second fixed telephony license issued to Ipko Net in July 2006.

Mobile Network: Currently around 1,000,000 customers of "Vala" (PTK). As of March 2007 the second GSM license granted to IPKO – Slovenian Telekom. Currently IPKO has ca. 350,000 users.

Internet: Wide coverage; three licensed providers; Internet Penetration based on households is 72,1%.



Transportation

Road network: The road network consist of 360 km of main roads. A highway connecting Kosovo with Albania and Serbia currently under construction.

Railway: Combined length of 330 km. It covers the entire territory, connecting both the south with the north and east with west.

Air transportation: Prishtina International Airport is, with over one million passengers per year, one of the most frequented airports of the region.