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Donors conference : one billion euros pledge for Kosovo

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A Kosovo donors conference opened on Friday in Brussels with the goal of obtaining one billion euros in funds for Kosovo's infrastructure, but also its institution-building.

Pristina asked for 1.4 billion euros, but the EU Enlargement Commissioner Olli Rehn said that one billion euros would already be "enough for quite some time"

Rehn said the European Commission pledged 500 million euros, but warned that the spending of every euro in Kosovo will be closely monitored.

The US pledged some 250 million euros, while Germany promised 100 million.

EU's Special Representative for Kosovo Pieter Feith said three Kosovo's priorities were the rule of law, decentralization and the building of the new security structures.

In a document by the Kosovo Ministry of Economy on the framework of spending in the period 2009-2011, prepared for the donors conference, it is argued that the challenges laying ahead of Kosovo are "enormous".

"The central message of this exercise is that in the current situation and acting alone, if Kosovo is able to make the best use of its own resources, even so, it can come nowhere near to achieving an economic development performance that can be sustained so as to realize the EU objective", the report said.

The analysis states that unemployment in Kosovo is at around 40 percent and that, even with the double of the expected economic growth (six percent instead of three percent) in the next 15 years, unemployment could only be halved given that every year some 29,000 new people enter the work force.

In addition to the economic and social problems, Kosovo is also expecting help in the formation of the "independent" state.

In the section named "Costs of independence", it is said that these will be 426 million euros in the period 2008-2011.

These costs include the questions of minorities, decentralization, security and the building of new institutions.



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Pristina expects that it will need 148 million euros for security issues, such as issuing new IDs, the building of the Kosovo Security Force, the creation of a ministry associated with these forces and security spending for the former members of the Kosovo Protection Corps, a body to be dismantled.

Kosovo is also building the "Ministry of Foreign Affairs", the intelligence service and the "Constitutional Court", and it is planning 28,4 million euros in the next three years for these institutions.

The total spending cost of « independence » of Kosovo is at around 427,6 million euros.

Pristina will pay a half from its budget and expects the EU and other donors to pay the rest at the conference.