KOSOVO
2014
ANNUAL REPORT
ON THE STATE OF
PHILANTHROPY
Research

Belgrade 2016
The 2014 Annual Report on the State of Philanthropy in Kosovo is part of a broader initiative to promote and stimulate philanthropy in the Western Balkans carried out by Catalyst Foundation. The underlying research and this publication were created by Catalyst Foundation (Catalyst Balkans), and with the generous support of the C.S. Mott Foundation and Balkan Trust for Democracy (BTD).

The views expressed here are those of the authors and do not necessarily represent or reflect the views of the Balkan Trust for Democracy, the German Marshall Fund of the United States, or its partners.
Dear friends,

Catalyst Balkans is pleased to present to you the 2014 Annual Report on the State of Philanthropy in Kosovo.

As in the previous year, the report presents data for 2014 and, wherever possible, indicates the trends in giving for certain indicators. We hope that this data will be both useful and of interest to you as additional information on the levels of giving and on the development of philanthropy in Kosovo.

Before we present the results we would like to say something about how the report was prepared: it was prepared using the GivingBalkans database, which was developed by Catalyst in 2013 and which we continue to upgrade. It is with great pleasure that we note that our database is currently the most reliable data source on voluntary donations in the region.

In the absence of official data, for the data processed by GivingBalkans, Catalyst used alternative methods of gathering data, primarily media reports and then other available data sources. This methodology has certain limitations, one of which is that the media does not always record all donations given for charitable purposes. However, we believe that our research provides insight into the most important aspects of voluntary giving because the figures obtained, although not comprehensive, do provide minimal relevant indicators that can be used as indicators of the degree of philanthropy development in the country.

The data in this report was collected by monitoring the electronic, print and on-line media on the local, regional and national levels in Kosovo from January 1 through December 31, 2014. Over this period, 255 entries related to voluntary giving by all types of donors were processed, of which 209 were unique recorded instances. The total number of entries differs from the number of unique donations because several media reported on the same donation.

Generally speaking, year 2014 shows some quite positive signs. We are happy to report that the overall level of giving in Kosovo has significantly increased in comparison to 2013, in terms of both the number of instances of giving and the value of donations. Data and estimations suggest that in 2014 the number of instances of giving exceeded 200, with over 3.5 million EUR donated for a range of themes, recipients and beneficiary groups.

1 Although a potentially more reliable data source would be the Tax Offices (because there are certain tax benefits for legal entities in all countries in the region) it is not possible to obtain exact data related to donations.
2 Reports of organizations that received donations, and companies' reports on donations.
3 Detailed information on our methodology is provided in Section 3.1
As in all other countries, there is still great room for improvement, particularly with regard to strategic investments, increased cooperation between sectors, widening the range of recipients and beneficiaries, higher involvement of civil society organizations, especially on the local level, as well as in strengthening strategic cooperation with the media in the promotion of giving. The year 2014 was also marked by significant decrease in giving in education, as well as decrease in the transparency of donated sums.

Catalyst will continue to closely monitor and report on shifts and trends in philanthropy in both Kosovo and the region. We believe that measuring philanthropy and presenting data, trends and positive examples may contribute to positive shifts in various forms of giving and consequently help realize the potential of philanthropy.

We would like to thank all of you who have helped us prepare this report: those of you who took part in philanthropy, those who have donated funds and time, and those whose contributions have facilitated the further development of both our method and methodology in collecting the data. Finally, we would like to thank the Forum for Civic Initiatives (FIQ) and Catalyst Balkans employees who assisted with data entry and the processing of data and whose efforts helped greatly in completing this report.

Our best regards until the 2015 report is published,

Catalyst Balkans
For easier understanding of the report, herein below are short descriptions of the terminology used in the report.

<table>
<thead>
<tr>
<th>Terminology</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Instance</td>
<td>Unique verified events/examples of collecting donations. May contain several donations (for example, an instance could be a campaign in which individuals collect cash for someone’s medical treatment).</td>
</tr>
<tr>
<td>Donors</td>
<td>Persons and/or legal entities donating cash, time, services, goods. They are divided into types of donors to facilitate the monitoring of trends.</td>
</tr>
<tr>
<td>Donors Mass Individual</td>
<td>Large number of individuals who could not be identified by name.</td>
</tr>
<tr>
<td>Donors Mixed</td>
<td>Cases in which it is not possible to classify the donors, i.e. several types of donors were involved in the instance.</td>
</tr>
<tr>
<td>Donors Individuals</td>
<td>The donors can be identified as individuals.</td>
</tr>
<tr>
<td>Donors Corporate Sector</td>
<td>Includes companies (with over 50 employees), corporate foundations and small and medium sized enterprises (with less than 50 employees).</td>
</tr>
<tr>
<td>Donors Private Foundations</td>
<td>Foundations established by private individuals or a combination of both private and legal entities.</td>
</tr>
<tr>
<td>Donation</td>
<td>A case of unique giving, without compensation (in money, goods, services or time) being given in return.</td>
</tr>
<tr>
<td>Extrapolation</td>
<td>A statistical method that uses the percentage of known data to calculate data that would be valid if 100% of the data was known. Extrapolation provides an estimate and not absolute values.</td>
</tr>
<tr>
<td>Philanthropy</td>
<td>Giving for a good cause, i.e. the voluntary giving of money, goods, time, or services in order to help the needy and advance social welfare.</td>
</tr>
<tr>
<td>Final Beneficiaries</td>
<td>Target groups that benefit from a donation. For example, if a school is the recipient of a donation, the beneficiaries are the children attending the school.</td>
</tr>
<tr>
<td>Themes for Giving</td>
<td>Themes or purposes for which donations are given, such as health, education, etc.</td>
</tr>
<tr>
<td>Recipients of Donations</td>
<td>Private and/or legal entities receiving a donation from a donor. In most cases this donation is then passed on to others.</td>
</tr>
<tr>
<td>Corporate Sector</td>
<td>The term corporate sector includes companies (with over 50 employees), corporate foundations and small and medium size enterprises (with less than 50 employees).</td>
</tr>
<tr>
<td>Use of Donations</td>
<td>Indicates how a donation has been used, for example for capital investment, the purchase of equipment, for the rendering of services, provision of material and consumer goods and the like.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Symbol</th>
<th>Meaning</th>
</tr>
</thead>
<tbody>
<tr>
<td>↑</td>
<td>Increase as compared with the previous year</td>
</tr>
<tr>
<td>↓</td>
<td>Decrease as compared with the previous year</td>
</tr>
<tr>
<td>=</td>
<td>No change as compared with the previous year</td>
</tr>
<tr>
<td>≈</td>
<td>Change is 1%, or less as compared to the previous year and is thus statistically negligible.</td>
</tr>
</tbody>
</table>
GENERAL OVERVIEW

A general overview of philanthropy data between 2013 and 2014 definitely highlights three positive shifts.

The available data show that over 3,555 mil. EUR was given for philanthropic purposes in Kosovo in 2014.

The number of instances significantly increased from 10 (in 2013) to 17 (in 2014) per month.

The average donation per citizen in Kosovo also increased from 0.5 Euros in 2013 to 1.9 Euros in 2014.

In the next section, we provide a brief overview of some of the most important indicators that together paint a picture of philanthropy in Kosovo.

PHILANTHROPY IN 2014

MOST ACTIVE DONORS

In 2014, mass individual giving is recognized as the most active donor category by percentage of recorded instances. It is followed by individual and corporate giving.

VALUE OF DONATIONS BY TYPE OF DONOR

When we rank donors according to recorded value of their donations, the picture changes. The corporate sector is then rated first, followed by associations and then the individual category.

As compared with 2013, the value of donations increased across all major donor types, except for mass individual, where we can see a big decrease.
KEY THEMES FOR DONATIONS

The four key themes that saw continued support included poverty reduction, healthcare, support to marginalized groups, and education, with over 90% of the total instances directed to these themes.

Besides the fact that unlike 2013, support to marginalized groups ranked as third supported theme, we have seen a slight drop in interest in education and support to marginalized groups, as well as increased interest in poverty reduction. Healthcare has remained at the same level.

USE OF DONATIONS

Although the highest percentage of instances in Kosovo is directed to one-off support (humanitarian aid, assistance for the medical treatment of individuals, most frequently children, and material and consumables necessary for the work of institutions and organizations), a positive change in comparison with 2013 is reflected in the slight increase in support that may produce long-term effects (equipment, capital investments, scholarships, raising awareness, start-up capital and the like).

The corporate sector is still in the lead in terms of the provision of long-term support.

RECIPIENT ENTITIES

The ranking of the types of recipient entities by percentage of recorded instances did not change when compared to 2013. While experiencing significant increases in numbers, individuals/families remain in the lead, followed by institutions and nonprofit organizations on the third place, which both saw a drop. Over 94% of recorded instances were directed to the aforementioned three types of recipients. In addition to these recipients, we can identify local/national governments and religious entities as donation recipients, but with a decreased number of instances comparing to 2013.

When the value of donations is considered (in relation to the recorded sum), individuals/families are at the first place followed by institutions, while nonprofit organizations dropped to third place.

Some comparisons with previous years are not possible to be made because of the low percent of the media reports that provided information about the value of the donations in 2013. However, according to the data available, although the percentage of donations in cash to nonprofit organizations has decreased in comparison with 2013, the absolute amount of cash they received was higher.
THE STATE AS RECIPIENT

State recipients included local and/or national government as well as institutions.

Data for 2014 shows a decrease in number of donation instances directed to state institutions, while value of donations significantly increased.

FINAL BENEFICIARIES

When we examined the categories of final beneficiaries, we observed that in 2014 people in economic need are ranked at the top of the list; population with health issues, although dropped at the second place, have seen increase in number of instances. On the other hand, persons with disabilities “jumped” into third place with increased number of instances. Beneficiaries from communities suffered significantly lower number of donations in comparison with 2013.

Although a significant percentage of instances were directed to these four groups of beneficiaries, the range of beneficiaries remained the same: all groups of beneficiaries identified in 2013 are still present.
Several Characteristics of Philanthropy in Kosovo in 2014:

★ In spite of the deepening of the economic crisis in the period from 2013 to 2014, both the number of instances and value of donations have significantly increased.

★ When examining types of donors, the corporate sector stands out with increase in value of donations, as well as with more frequent strategic investments and giving through capital investments and equipment compared to 2013.

★ When we examine the diaspora, we see that the percentage of instances dropped in comparison to last year – in 2014 is 20.6% - although the value of donations increased significantly, to over 39%. This will require further observation to determine whether it represents a trend, or one-year fluctuation.

★ Individual or family recipients are still receiving a greater level of funding, while nonprofits have suffered decrease in number of instances.

★ Related to themes of giving, poverty reduction is still in the lead with an increasing trend in the percentage of instances of donations. The same trend is seen with healthcare, while less instances were recorded for support to marginalized groups and education.

★ While support for the state (institutions and local and national government) has decreased in terms of the percentage of instances, the percentage of value of donations has increased in comparison with 2013.

★ The group of key final beneficiary groups has slightly changed with people in economic need still with a large number of instances of giving directed to them. Percentage of instances directed to people with health issues also increased, while people with disabilities remained on the similar level. While it is positive that not a single beneficiary group “disappeared” from the list, there has been significantly lower levels of recorded activities towards people from specific communities.

★ Finally, the transparency of the data decreased compared to 2013. The percentage of media reports indicating the value of a donation decreased from 33.3% in 2013 to 21.5% in 2014.

Overall, while there is a room for improvement, significant increase in number of instances and value of donations is more than encouraging.
There were 209 recorded philanthropic instances to collect cash and/or in-kind goods in Kosovo in 2014.

In this regard, the first trend to be highlighted is the increase in the number of recorded instances in comparison with 2013. A statistical overview shows that there was an average of 17 instances per month, which represents a significant increase from the 10 instances recorded in 2013. The number of instances per month shows somewhat unusual seasonal distribution, with an increase during summer months, and drop over the winter holiday season.

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1.2| Geographic Distribution of Giving

The trend of donations being most frequently sent to the Prishtinë region (39.2%) continued in 2014.

Prishtinë is followed in terms of percentage by Gjilan (11.5%), Mitrovicë (10.5%) and Prizren (9.1%). The difference between the later three regions is too small to indicate to any significant trend.

The percentage of instances for Gjakovë, Gjilan, Mitrovicë and Peje decreased in comparison with 2013, while for Ferizaj, Prizren and finally Prishtinë have increased.

Additionally, 11.5% of donations in 2014 were directed either on a broad national level or covered several of the regions, which have been grouped together in the category Throughout Kosovo. This is a significant increase comparing to 2013, when this kind of distribution was 3.7%. As for donations to people living in other countries, 1.9% were sent outside of Kosovo: to Albania and Serbia.

Donations were directed to over 33 different local communities across 22 municipalities. Besides Prishtinë, the municipalities that led in receiving donations were Gjilan, Mitrovica and Prizren.

Looking at the geographic distribution by region over the past two years, we see that Prishtinë remained the region with the majority of instances, Mitrovicë has been relatively stable with the percentage varying between 9.9-10.5%, and Ferizaj and Prizren have remained in the range of 6-9%. The significant change recorded in 2014 was in Pejë where a big drop if instances is seen, and in the category Throughout Kosovo in which instances were increased more than two times.

<table>
<thead>
<tr>
<th>TRENDS IN GEOGRAPHIC DISTRIBUTION OF GIVING (% of Instances)</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ferizaj</td>
<td>6.2%</td>
<td>8.6%</td>
</tr>
<tr>
<td>Gjakovë</td>
<td>6.2%</td>
<td>4.3%</td>
</tr>
<tr>
<td>Gjilan</td>
<td>13.6%</td>
<td>11.5%</td>
</tr>
<tr>
<td>Mitrovicë</td>
<td>9.9%</td>
<td>10.5%</td>
</tr>
<tr>
<td>Pejë</td>
<td>13.6%</td>
<td>3.3%</td>
</tr>
<tr>
<td>Prishtinë</td>
<td>32.1%</td>
<td>39.2%</td>
</tr>
<tr>
<td>Prizren</td>
<td>7.4%</td>
<td>9.1%</td>
</tr>
<tr>
<td>Throughout Kosovo</td>
<td>3.7%</td>
<td>11.5%</td>
</tr>
<tr>
<td>Outside of Kosovo</td>
<td>1.2%</td>
<td>1.9%</td>
</tr>
</tbody>
</table>
GEOGRAPHIC DISTRIBUTION OF GIVING BY REGION
(% of Instances)

- Mitrovicë: 10.5%
- Prishtinë: 39.2%
- Gjilan: 11.5%
- Gjakovë: 4.3%
- Pejë: 3.3%
- Prizren: 9.1%
- Ferizaj: 8.6%

Throughout Kosovo: 11.5%
Out of Kosovo: 1.9%

Kosovo’s designation in this document is without prejudice to position on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo Declaration of Independence.
GEOGRAPHIC DISTRIBUTION OF GIVING, BY RECIPIENT MUNICIPALITY (% of Instances)

Mitrovicë

Prishtinë

Gjilani

Prizren

no recorded instances

0 - 4
0 - 2.4% of instances

5 - 9
2.5 - 5% of instances

10 - 14
5 - 7.9% of instances

15 - 19
8 - 10% of instances

> 20
> 10% of instances

Kosovo’s designation in this document is without prejudice to position on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo Declaration of Independence.
Out of 209 donations (calls, instances, reports and similar) indexed, 21.5% of them had a monetary value associated with them, which is a decrease compared to the 35.8% recorded in 2013. The total value of donations reported by the media, and which could be verified using other sources, is slightly over 952,000 EUR.

Only somewhat more than one fifth of recorded data contained the actual value of the donations. However, using extrapolation a cautious estimate can be made that the value of donations for charitable purposes in Kosovo in 2014 was at least 3.56 million Euros. The graph below shows the recorded and verified value of donations in Euros, as well as the estimated value based on extrapolation from the recorded sums.

With regard to the aforementioned values, it is important to note that they include primarily donations in cash, since the estimated value of in-kind donations and pro-bono services is more difficult to extrapolate. Similarly, although the number of stakeholders willing to share data on the value of donations is increasing, it remains difficult to obtain a higher percentage of specific data. Consequently, it is reasonable to assume that the total value of donations was significantly higher, even higher than the estimated sum quoted herein.

There are two ways to examine the donations provided by various types of donors: by the number of instances and by the recorded sum of donations in cash.

If we look into donations by the number of instances, the data shows that the most numerous are those provided by the mixed donor type category (i.e. donations undertaken by several donors). They can be citizens and companies, individuals, associations and companies or any other combination of different types of donors).

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1 The sums were recorded in different currencies. The sum thus represents the annual median exchange rate for different currencies.
2 Neither donors nor recipients exhibited significant readiness to share information on donated sums. Consequently, increased efforts should be made to educate all stakeholders about the importance of transparency regarding donated sums.
However, looking at the number of instances provided by various types of donors, most numerous are mass individual donations (i.e. donations during campaigns and responses to appeals for support/aid), then individuals (individual giving where the donor can be identified). Corporate sector is on the third place, with 11.0%.

The picture changes once we rank donors by percentage of their recorded donated sum. In this case, the corporate sector takes the lead, followed by individuals, mass individual and mixed donors at the end. Other types of donors provided around one fifth of the total recorded amount.

Looking back at three types of donors in the last two years: mass individuals, the corporate sector and individuals, we notice that unlike the year 2013, mixed donor type are at lead when it comes to the number of instances. This year we also see a drop in mass individual and corporate sector participation, while individuals pertained more or less the same level in comparison to the previous year.

The changes visible in the percentage of instances and the recorded value of donations are not such as to suggest a clear conclusion or trend, but do confirm an ongoing increase in donations from the corporate sector.
DONATIONS FROM THE DIASPORA

In 2014, giving from the diaspora increased. One of the more active diaspora individual donors continues to be Luan Krasniqi, a famous boxer living in Germany. In 2014, Mr. Krasniqi financially supported SOS Children’s Village Kosovo and donated equipment to several Kosovo municipalities.

It is worth noting though that this year was marked by significant donations from diaspora associations, providing both short-term and strategic support. The humanitarian Association of Justice based in Switzerland donated valuable equipment to the Gjakova Hospital and Clinic of Gynecology, while Switzerland Medvejka Association allocated significant amount for printing of school books.

And finally, like in the previous year, number of fundraising events was organized by people from the diaspora, most of them aiming to collect funds to support Kosova citizens in economic need.
LONG-TERM DEDICATION TO GIVING

When considering long-term dedication to giving in 2014, the efforts of the Bereqeti Association from Mitrovicë should be noted. This association has been supporting economically disadvantaged families in Kosovo both with cash and in-kind donations over a number of years. The support has also been provided to students, people with physical disabilities and institutions.

INNOVATIVE WAYS OF GIVING

Kosovo telecommunications company IPKO ran a campaign with the aim to assist 20 schools in Kosovo to implement their most important projects. Each school/project was supported by a certain amount of money. The donated amount supported the realization of the projects, while at the same time serving as a stepping stone for asking and receiving donations from other donors.

EXAMPLES OF CORPORATE SECTOR DONATIONS

A great example of long term strategic investments in education is presented by NewCo Ferronikeli company who donated laboratory equipment for two lower middle schools in Drenas and Shkabaj. This donation will enable students to practice for science classes.

Dedication to a long term approach in resolving the issue of healthcare comes from the Prishtinë company Medica. The Clinic of Radiology at the University Clinical Center of Kosovo received a valuable diagnostic mammography device which will improve prevention healthcare services for women.

The software company Albasoft Group stands out as an example of strategic investments in economic development by supporting Kosovo’s newly established small businesses with small start-up grants.

CAUSE RELATED MARKETING

The trend of so called “cause related marketing”, i.e. donating a part of a company’s income from the sale of products, is spreading throughout the region.

The corporation Uje Rugove, a water and food producer, with its campaign “1like=10cents” is an example of such way of giving. This company called people to like their Facebook page; each like is worth 10 cents. All funds collected in this way are donated to support the work association Down Syndrome Kosova.
Profiles of the Most Common Types of Donors

**CORPORATE SECTOR**

- **TOP 3 RECIPIENT ENTITIES**
  - Institutions: 52.2%
  - Nonprofit Organizations: 30.4%
  - Individuals / Families: 13.0%

- **TOP 3 THEMES FOR GIVING**
  - Education: 34.8%
  - Support to Marg. Groups: 21.7%
  - Healthcare: 17.4%

- **TOP 3 FINAL BENEFICIARY GROUPS**
  - Economically Vulnerable: 21.7%
  - Gifted Children: 17.4%
  - People from Specific Communities: 13.0%

**MASS INDIVIDUAL**

- **TOP 3 RECIPIENT ENTITIES**
  - Individuals / Families: 66.7%
  - Institutions: 22.2%
  - Nonprofit Organizations: 5.6%

- **TOP 3 THEMES FOR GIVING**
  - Poverty Reduction: 46.3%
  - Support to Marg. Groups: 29.6%
  - People with Health Issues: 18.5%

- **TOP 3 FINAL BENEFICIARY GROUPS**
  - Economically Vulnerable: 50.0%
  - People with Disabilities: 14.8%
  - People with Health Issues: 7.4%
The overall value of donations increased by 255% from 2013 to 2014.

There are significant changes in data in regards to various donors both in the level of activity as well as recorded value of donations. The reasons for this might be in the higher overall level of instances recorded, as well as in higher recorded number of instances in which amounts are given by corporate sector. Therefore, while data for both years correctly reflect records, at this point it remains to be seen if 2014 data are showing beginning of a trend or a specific occurrence in 2014. That being said, we can note of the following:

- In 2014, the most active donor types were mixed donors (38.3%), followed by mass individual (25.8%) and individuals (11.5%). However, it is important to note that these types of donors and some others take participation in the mixed type, so percentages for both mass individual and individual and even corporate sector donors are probably higher.

- If we look into the value of donations, the picture changes: the corporate sector takes the lead with 33.4% share in the total recorded amount, followed by individuals with a share of 19.2%, and citizens with a little bit smaller share of 12.6%. The participation of mixed donors has decreased significantly compared to 2013.

- If we analyze giving by the diaspora, the percentage of instances is smaller than in previous year, dropping to 20.6% while the recorded value of donations increased significantly to 39.4%, which represents an impressive share.

On the whole, mass individual donors continued to have a strong presence. While the engagement of the corporate sector (companies, corporate foundations and small and medium enterprises) decreased, recorded value of donations by this sector significantly increased. Again, given the significant changes in data in years 2013 and 2014 these numbers should not at this point be taken as indicators of any trend.
The four key themes to which donations were directed in 2014 continued to be poverty reduction, healthcare, support to marginalized groups, and education.

The ranking of themes by number of instances remains almost the same as in previous year, with poverty reduction in the lead. However, in a difference to last year, in 2014 healthcare superseded support to marginalized groups. Education remains in the fourth place. The differences in percentages are the most significant in poverty reduction (up for 5.1%) and education (down for 5.1%).

The range of themes remained relatively limited and includes culture, sport, economic development, religious activities, assistance in emergencies and seasonal giving. The range also remains somewhat narrower than in other countries in the region; purposes marked as Other included mostly multipurpose donations (that is, several donations provided by the same donor for different purposes, within the range of already mentioned themes).

This year, the percentage of instances for all themes other than the top four was lower than usual at a little less than 10%. We believe furthermore that the assistance in these areas was higher than what was recorded by the media or what was possible to verify using other sources.

<table>
<thead>
<tr>
<th>Key Themes of Giving (% of Instances)</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Poverty Reduction</td>
<td>44.4%</td>
<td>49.5%</td>
</tr>
<tr>
<td>Healthcare</td>
<td>18.5%</td>
<td>19.0%</td>
</tr>
<tr>
<td>Support to Marginalized Groups</td>
<td>21.0%</td>
<td>17.1%</td>
</tr>
<tr>
<td>Education</td>
<td>9.9%</td>
<td>4.8%</td>
</tr>
</tbody>
</table>
2.2.2 | Use of Donations

The data on how donations have been used facilitates deeper insight into whether they are provided as one-off support (humanitarian assistance) or are intended to assist in pursuing longer-term solutions to specific problems.

In line with the methodology and recorded data, we divide the use of donations into three categories: long-term support, one-off support and donations for unknown purposes\(^3\). An overview of donation categories is presented in the graph below.

\(^3\) Under the category of “long-term support” we include: capital investments, equipment, investment in services, scholarships (human resource investments), research and development, raising social awareness; in the category of “one-off support” we include, humanitarian aid, seasonal donations, medical treatments for individuals/families, and material and consumables. It is not always possible to determine the purpose of a donation, because the available data, for example, may indicates that an institution/organization has been supported without specifying the donation’s purpose.
STRATEGIC GIVING

Analysis of examples of strategic giving in Kosovo shows that the most frequent continue to be investments in equipment and/or the reconstruction of buildings.

Thus in 2014, Raiffeisen Bank Kosova donated valuable equipment to the Gynecology Clinic at the University Clinical Center of Kosova, supporting necessary improvements for the work of that department.

Another example of strategic support to education is a donation of Union company from Prishtinë which supported work of elementary school in Prishtinë by donating tablets, computers and other electronic equipment that helps and supports learning.

The diaspora also has participated in strategic giving and the Zenunaj family stood out as one of the best examples. This family generously invested in building of a new facility which will serve as youth center in the Gremnik community in Klina.

KEY POINTS:

- The highest percentage of instances in Kosovo remains directed to one-off support. The corporate sector continues to be more oriented to strategic investments than other type of donors.

- The most common long-term investments by far are instances of the purchase of equipment, followed by capital investments and, surprisingly this year, certain percentage of donations directed toward scholarships and raising social awareness.

- The most frequent one-off donations are for humanitarian assistance, individual housing, medical treatments, as well as materials and consumable goods.

- When we examine changes in comparison with 2013, we see that the level of long-term investment has shown a slight increase which we find very positive with hope that this will turn into a trend. At the same, the level of one-off investments slightly dropped.
Recipient entities (often also referred to as partners) show how donors choose to channel their donations, thus indirectly revealing whom they trust. In 2014, the principal recipients were, as in previous years, individuals / families, followed by institutions and nonprofit organizations (associations and foundations). The Other category included religious communities and unknown recipients.

Donation recipients/partners generally further distribute support to beneficiaries, that is, they use them for the benefit of particular target groups.

### TYPE OF RECIPIENT ENTITIES (% of Instances)

- **Individuals / Families**: 71.3%
- **Institutions**: 11.5%
- **Nonprofit Organizations**: 11.0%
- **Other**: 5.7%
- **Local/national Governments**: 0.5%

### TRENDS IN TYPE OF RECIPIENT ENTITIES - 2013 to 2014 (by % of Instances)

<table>
<thead>
<tr>
<th>Type of Recipient Entities</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individuals / Families</td>
<td>55.6%</td>
<td>71.3%</td>
</tr>
<tr>
<td>Institutions</td>
<td>17.3%</td>
<td>11.5%</td>
</tr>
<tr>
<td>Nonprofit Organizations</td>
<td>22.2%</td>
<td>11.0%</td>
</tr>
<tr>
<td>Local/National Governments</td>
<td>1.2%</td>
<td>0.5%</td>
</tr>
</tbody>
</table>

---

4. Donation recipients/partners generally further distribute support to beneficiaries, that is, they use them for the benefit of particular target groups.
TRENDS IN TYPE OF RECIPIENT ENTITIES - 2013 to 2014 (by % of Recorded Sum)

<table>
<thead>
<tr>
<th>Type</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individuals / Families</td>
<td>67.1%</td>
<td>40.4%</td>
</tr>
<tr>
<td>Institutions</td>
<td>12.7%</td>
<td>34.2%</td>
</tr>
<tr>
<td>Nonprofit Organizations</td>
<td>18.2%</td>
<td>12.4%</td>
</tr>
<tr>
<td>Local/National Governments</td>
<td>0.9%</td>
<td>1.0%</td>
</tr>
</tbody>
</table>

KEY POINTS:

- In 2014, the top three types of recipient entities by % of instances were individuals / families (71.3%), institutions (11.5%), and finally nonprofit organizations (11.0%).

- Viewing it from the perspective of the value of donations, the leading position goes to individuals / families, followed by institutions, and nonprofit organizations.

- If we combine the data for institutions and local / national governments, with both categories under the control of the state, we reach the conclusion that 12.0% by number of instances and 35.2% by value of donations were, in fact, donated the state.

- When comparing the last year data with 2014 we notice significant fluctuations, both in the percentage of instances as well as the percentage in value of donations. At the same time, order of recipients in both categories remained almost the same. The only change in order is that institutions are on the second place in both categories, while nonprofit organizations are on the third place.

- While the support for nonprofit organizations was reduced in the percentage of instances and the percentage in value of donations, the actual amount donated to nonprofits was increased compared to 2013, due to the overall increase in the amount of money given in 2014.
NONPROFIT ORGANIZATIONS IN 2014

The category of nonprofit organizations consists of civil society associations and private foundations. It is important to note that the percentage of instances of giving to nonprofit organizations decreased in 2014.

When it comes to the value of donations in 2014, the percentage of the recorded value to nonprofits stands at 12.4%, which is a decrease in comparison from 2013. However, given that the total amount given is higher, nonprofit organizations actually received more in absolute numbers.

This year, the largest percentage of donations to nonprofit organizations came from mass individual donations, followed by the corporate sector together with small and medium enterprises.

The range of themes that are supported by nonprofit organizations were quite narrow and were limited to support to marginalized groups and health. This also applies to the range of final beneficiary groups for which organizations received support. It included primarily adults and children with disabilities (both physical and intellectual), children without parental care, as well as support to adults with physical health issues.

The positive development is an increased number of organizations and foundations receiving multiple donations from various donors. As in 2013, in terms of the number of instances, at the very top are SOS Children’s Village Kosovo and Hendikos Association. Number of donations to Kosovo Association of Persons with Down syndrome increased. The new name that appeared is Kosova Philanthropists, a nonprofit organizations that gathers “individuals and institutions to bring positive change” in communities.

In terms of fundraising and cooperation with donors, it is worthwhile to highlight the example of SOS Children’s Village Kosova. In 2014 they had a big campaign called Fundraising Week during which various fundraising events were organized, such as performances and dinners, attracting both individuals as well as companies, such as Gllareva company from Prishtinë.

As in 2013, the nonprofit sector in Kosovo is falling behind other countries in the region in terms of the range and diversity of topics given to. Similarly, the trend of donors supporting national and/or hub organizations continues.
Who Benefits from Donations? | 2.3.2

When we looked into the final beneficiaries in 2014, the four key groups that emerged were people (adults, youth and children) with health issues, the economically vulnerable, people with disabilities and people from specific local communities.

KEY FINAL BENEFICIARY GROUPS
(% of Instances)

- People with Disabilities 52.9%
- People with Health Issues 20.8%
- Other Groups 12.9%
- Economically Vulnerable 8.6%

BREAKDOWN OF OTHER FINAL BENEFICIARY GROUPS
(% of Instances)

0 - 1%
• People from Religious Communities
• Women and Children Survivors of Violence

1 - 2%
• Elderly
• Talented Children and Youth
• People Living in Other Countries
• Mothers and Newborns

2 - 4%
• People from Specific Communities

4 - 5%
• Children without Parental Care
• General Population

TRENDS IN KEY FINAL BENEFICIARY GROUPS
(% of Instances)

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economically Vulnerable</td>
<td>48.2%</td>
<td>52.9%</td>
</tr>
<tr>
<td>People with Health Issues</td>
<td>8.6%</td>
<td>12.9%</td>
</tr>
<tr>
<td>People with Disabilities</td>
<td>8.6%</td>
<td>8.6%</td>
</tr>
</tbody>
</table>
The top three final beneficiary groups (the economically vulnerable, people with health issue and people with disabilities) comprise over 70.0% of the overall number of instances of giving in 2014. Fourth place with 4.8% each is shared between two groups: Children without Parental Care and General Population.

While percentage of instances benefitting the other beneficiary groups somewhat increased in 2014, the total of these groups amounts to a bit less than one-fifth of all instances.

Over the last year we have seen slight rise in instances benefiting economically vulnerable and people with health issues. At the same time, the percentages of instances for the benefit of people with disabilities and general population, stayed almost the same.

Finally, it is worth noting that the percentage of instances intended for people from specific communities significantly decreased in comparison to 2013, from 14.8% to 3.8%. It would be interesting to see if this is sign of a trend or occurrence in this year.
How is Giving Done in Kosovo? | 2.4
What Is Donated? | 2.4.1

It is evident that donors prefer to provide cash donations, followed by donations of in-kind goods, mixed donations (cash and in-kind), and pro-bono services. The percentage of instances involving volunteering remained small.

**WHAT IS DONATED?**

- **Cash:** 78.5%
- **In-Kind Goods/Materials:** 17.6%
- **Cash And In-Kind:** 2.4%
- **Pro-Bono Services:** 1.0%
- **Volunteer Time:** 0.5%

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**OTHER WAYS TO DONATE**

Apart from the traditional direct cash and in-kind donations, there were a few cases of other ways of giving in 2014, such as donation of pro-bono services.

*Throughout the 2014 the American Hospital, Jeta/Vita center for prevention of cancer and the Mothers and Children NGO, provided free prevention medical check-ups for 600 women.*

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**KEY POINTS:**

- Cash donations were the most frequent (78.5%) and in-kind goods appeared in a far smaller percentage (17.6%).

- The small percentage of volunteering instances does not reflect the real picture because of the media’s hesitation to report on volunteering (it is less attractive than concrete donations) and because companies fail to report on their often frequent volunteering instances, because volunteering activities are seen as part of their employee strategy. We believe that the percentage is higher. Though, it will take time and working with both journalists and companies to recognize volunteering as a form of philanthropic giving.
2.4.2 | Ways of Fundraising

For easier analysis, the ways of fundraising have been divided into four categories: direct donations (cases in which donors selected the final beneficiary), campaigns/appeals, giving during events, and calls for applications.

![Graph showing ways of fundraising]

**WAYS OF FUNDRAISING** (% of Instances)

- **Direct Donations**: 46.9%
- **Campaigns/Appeals**: 41.1%
- **Events**: 11.5%
- **Calls for Applications**: 0.5%

**TRENDS IN WAYS OF FUNDRAISING – 2013 to 2014** (by % of Instances)

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct donations</td>
<td>55.6%</td>
<td>46.9%</td>
</tr>
<tr>
<td>Campaigns / Appeals</td>
<td>27.2%</td>
<td>41.1%</td>
</tr>
<tr>
<td>Events</td>
<td>16.0%</td>
<td>11.5%</td>
</tr>
<tr>
<td>Calls for Applications</td>
<td>1.2%</td>
<td>0.5%</td>
</tr>
</tbody>
</table>

**MERIDIAN EXPRESS CAMPAIGN**

The campaign that attracted attention in 2014 was one conducted by Meridian Express, a network chain of retail stores in Kosovo, in cooperation with SOS Children's Village Kosova. Through this campaign, with the motto “Be Humane” customers in numerous Meridian Express shops all across the country were encouraged to donate for children without parental care.
Despite showing certain decreases, direct donations remain the most represented method of giving – close to half of the total number of instances.

Campaigns/calls, as well as events varied more between 2013 and 2014. What we can observe at this point is an increase in number of campaigns / calls, while events and calls for applications were less interesting for donors.

Competitions, this year announced only as a corporate support to new businesses through start-up capital, also show a decrease. The assumption is (as in other countries) that the number of competitions is actually higher, but their occurrence has not been well-reported. This is particularly the case where foundations are concerned, because the media rarely recognize this sort of competition as philanthropy.
2.4.3| Media Coverage

As shown in the graphs below, almost half of the reports of donations were published in the web media (48.0%), followed by the print media (42.0%). The smallest percentage was published in the electronic media (10.0%). In comparison with 2013, we observe increased reporting in electronic media, decrease in web media, while reporting in print media stayed at the same level.

With regard to territorial coverage, all of the reports were recorded in national media, with just one case of reporting in the regional media. Additionally, all the reports were published in daily media.

It is also noteworthy that in 2014 some reports on donations in Kosovo were recorded in the foreign media, i.e. in the media of other countries in the region, something that has not happened before. Of the total number of media reports, 6.0% were reported by media registered in other countries.
Telegrafi.com, Kosovapress.com and Kosova-sot.info stand out as the web media that presented the largest number of reports. In the print media field, Kosova Sot clearly led in its coverage of giving, followed by Epoka e re and Zeri. The electronic media that published the most reports were RTK and Kohavision. All recorded reports were published and broadcasted in daily media.

In the analysis of media coverage, it is interesting to look at the placement of and time allocated to the reports, because both indicate the importance given to philanthropy.

The data from 2014 shows that with regard to the placement chosen for the report, in printed media, 45.0% were found between the fifth and tenth pages, while over half (55.0%) of reports were placed after page ten. Unfortunately, there were no reports placed on one of the first five pages. There are not enough data for electronic media to make this kind of analysis.

Looking at the duration of reports: all reports in print media were “medium” sized (taking up to one-half of a page), while there not sufficient data from electronic media to make similar analysis.

This suggests that philanthropy as a theme is still not viewed as important, and that the majority of media consider philanthropy a side topic. Reports were often scanty or incomplete, making it quite difficult to understand who had made the donation, for what purpose or to which type of beneficiary (or, in other words, how the donation would be used).

Speaking in general, compared to the rest of the region, the media in Kosovo are not very active where reporting on philanthropy is concerned. In both years, Kosovo had smaller total number of reports produced compared to other countries. Media in Kosovo mostly report on philanthropy, without taking other possible roles (initiating philanthropic actions and/or partnering with others). Given the trends in the region, we do expect that Kosovo media will soon start taking on more active role.

Finally, the data of the past two years demonstrates that the media has not become more transparent in relation to its presentation of sums. On the contrary, there has been a decrease in the percentage of reports in which the sum of the donation is recorded - from 33.3% in 2013 to 21.5% in 2014.
The majority of reports on philanthropy were published in web media (48.0%), followed by the print media (42.0%), while the electronic media remained far behind the other two in the number of reports broadcast.

All reports were published in daily media.

The national media prevailed with almost full coverage of 99.6% in 2014.

The data on the time and spot devoted to reports in the media points to the fact that philanthropy is still considered a side topic. In addition, published reports were generally incomplete in terms of providing details of the donation.

The media in Kosovo were focused only on reporting, and did not take on more active role by initiating their own philanthropic actions, or partnering with others in doing so.

Finally, the percentage of reports which indicated the sum of the donation has seen a decrease, over the past two years: from 33.3% in 2013 to 21.5% in 2014.
Annexes | 3

Annex 1: Methodology | 3.1

The methodology for this report was inevitably conditioned by the viable options for collecting data. Research on this topic worldwide shows that the only completely reliable source of information on level of giving for charitable purposes is collected by tax authorities. For many reasons it was not possible to use this source of information in any of the Western Balkans countries.

As mentioned previously, Catalyst has opted for alternative ways of collecting data, using primarily media data as well as other available data sources. Concretely, the data used as the basis for this report was gathered by monitoring the electronic, printed and on-line media on the local, regional and national levels in the period from January 1 through December 31, 2014.

There are three key limitations to this methodology. First, this method does not provide comprehensive data because the media does not report on all charitable instances and giving. Second, media reports often do not provide all data of importance in following the development of philanthropy (most often the media does not publish the amount donated and/or collected). Third, there is a potential limitation in the credibility of data published by the media.

The first limitation cannot be overcome at this time. Where the second and third limitations are concerned, Catalyst seeks to overcome them by cross-analyzing various media, and then conducting additional research, for example by checking the reporting by companies’ and nonprofit organizations (if available to the public). The acknowledged limitations notwithstanding, we feel that there are two facts that justify our analysis:

— Our figure, although not comprehensive, provides a minimum value of relevant indicators. If, for example, we discuss the number of charitable instances, we can state with certainty that the number that we show is the minimal number of instances that have taken place and that the actual figure is certain to be higher. The same is true for cash amounts, actors and the like. Hence, this data may be used as indicators of the minimal degree of philanthropy development in a specific country.

— Continued observation will show a rise and/or drop in numbers and change in data related to our selected indicators. Therefore, continued monitoring over years will point out trends in philanthropy development as well as trends in media reporting on the subject.

Catalyst will continue to enhance this methodology. Catalyst also plans to establish contacts with state authorities (tax authorities, and other offices with relevant statistical data) to discuss the importance of this data and explore ways of increasing the number of reliable data sources. Under current conditions, we are of the opinion that the methodology allows for preliminary insight into philanthropy in Kosovo.

5 Various media report on the same donations, and by comparing data from several media reports, we are able to obtain more accurate and thorough data.
3.1.1| Factors and indicators showing degree of philanthropy development

It is difficult to estimate the degree of philanthropy development in an environment in which precise data is not collected and continuous monitoring is not done. Catalyst has thus created an initial list of factors that may help elucidate various aspects of giving: instances/initiatives for charitable giving; methods of collecting cash donations; the themes of giving; donation recipients and beneficiaries; donors; actors; and media coverage.

In order to use the data collected for comparative analysis (both across the countries and within a certain country over multiple years) and given the factors identified above, it was necessary to define quantitative and qualitative indicators for each factor. The indicators we used are presented in the following table:

<table>
<thead>
<tr>
<th>Factor</th>
<th>Indicator</th>
</tr>
</thead>
<tbody>
<tr>
<td>Instances of charitable giving</td>
<td>• Number of instances of charitable giving in one-year period; • Geographic distribution (% of instances per region in relation to the total number of instances); • % of instances of cash donations in relation to the total number of instances; • % of instances of in-kind donations/services in relation to the total number of instances.</td>
</tr>
<tr>
<td>Methods of collecting cash donations</td>
<td>• Different groups (types) of methods of fundraising for donations in cash; • % of representation of different types of methods; • Emergence of new methods for fundraising/donations in cash.</td>
</tr>
<tr>
<td>Purpose of charitable giving instances</td>
<td>• Theme or Purpose of the support; • Number (in %) of instances per purpose; • Emergence of new themes; • Use of donations per theme.</td>
</tr>
<tr>
<td>Donation recipients and beneficiaries</td>
<td>• Types of donation recipients; • Number of instances involving recipients in the state sector (% in relation to the total number); • Number of instances involving recipients in the civil sector (% in relation to the total number); • Number of instances involving recipients from other groups (% in relation to the total number); • Types of beneficiaries; • Number of instances directed to different groups of beneficiaries (% in relation to the total number of instances); • Emergence and number of new beneficiary groups.</td>
</tr>
<tr>
<td>Donors</td>
<td>• Number of instances per type of donor (% in relation to the total number of instances); • Number of instances per different recipients and per type of donor; • Number of instances per theme and per type of donor; • Number of instances per beneficiary groups and per type of donor.</td>
</tr>
<tr>
<td>Value of donations for charitable purposes</td>
<td>• Total value of charitable donations; • % of instances with a recorded sum of donation; • % of donated amount per type of donor; • % of donated amount per type of recipient; • % of donated amount per theme.</td>
</tr>
<tr>
<td>Actors</td>
<td>• Type and number of different actors; • Emergence of new actors.</td>
</tr>
<tr>
<td>Media</td>
<td>• Total number of media reports; • Number (in %) of media reports per media type; • Number (in %) per territorial coverage (national, regional, local); • Number of reports treated as substantial per media type (printed, electronic).</td>
</tr>
</tbody>
</table>

It is likely that during preparation of the research, which we hope will continue for several years, some of the factors we analyze will change or come into sharper focus, and it is possible that new factors may emerge. For the time being, we believe that the factors listed above offer a solid starting point in determining the state of charitable giving in each of the countries that we monitor.

6 While these two categories may seem the same, they very often differ in practice. Donation recipients are usually registered legal entities (such as institutions, nonprofit organizations, local governments, etc.) that seek support for a particular purpose. Recipients may also be individuals or families. Beneficiaries on the other hand, may be various groups for whose benefit the support is requested. For example, if the recipient of a donation recipient is a local hospital, the beneficiaries are people of that local community. If the donation recipient is a school, the beneficiaries are children/youth of a certain age who attend that school. If the donation recipient is a nonprofit organization that works with people with disabilities, the beneficiaries are people with disabilities, etc. Insights into the recipients of donations show public perception of who “deserves” support and whom they trust. The range of beneficiaries show which groups are considered to be vulnerable (in any way) by the public and over time will indicate how much public awareness of the issue has changed.

7 Under actors we understand not only donors, but also those who appeal for assistance and those who, in any way, take part/participate in philanthropy. As a rule of thumb, an increase in the number of actor’s leads is understood to advance public awareness of the importance and role of charitable giving in the society.
Changes in the Legal / Fiscal Framework | 3.2

Over the course of 2014, there were no changes in the legal-fiscal framework for giving in Kosovo. Consequently, we only provide herein a summarized overview of remaining tax issues. This overview has been derived from the publication “Tax regulations of importance to development of philanthropy in South-East European countries”, prepared by Dr. Dragan Golubović for the needs of the SIGN Network. In this Annex we only provide information related to Kosovo. The full publication is available at:

http://www.sign-network.org/activities/advocacy-for-policy-changes

**Corporate Income Tax.** "Non-governmental organizations" which are granted public benefit status pursuant to the Law on Freedom of Association (which conspicuously also pertains to foundations)\(^8\) are exempted from corporate income tax, so long as they use their income exclusively to further their public benefit purposes (Article 7(1) Corporate Income Tax Law)\(^9\).

Corporations can deduct up to 5% of their taxable income for in-country donations to humanitarian, health, education, religious, scientific, cultural, environmental protection and sports purposes (Article 10(1), Corporate Income Tax Law). The eligible recipients of donations include NGOs which are granted public benefit status under the framework regulation and public institutions in the above mentioned areas (Article 10(2), Corporate Income Tax Law). An allowable deduction shall not include a contribution that directly or indirectly benefits the donor or persons affiliated with the donor (Article 10(3), Corporate Income Tax Law). The Law does not address the issue of tax status of institutional grants (donations) to NGOs which are granted public benefit status.

**Personal Income Tax.** Giving by individuals to qualifying public benefit purposes are deductible under the same conditions which are set out for corporations (Article 28(1), Personal Income Tax Law)\(^10\).

**Gifts tax.** Gifts are generally not subject to taxes. The Ministry of Culture, Youth and Sports is currently working on a draft law on sponsorship, which might also address this issue in some fashion.

**Public Benefit Status.** Rules governing public benefit status are set out in the Law on Freedom of Association. An NGO which is granted the legal entity status may apply with the competent body for “public beneficiary status”, which entitles the organization to tax benefits (supra) and fiscal benefits, and subjects it to certain reporting requirements (Article 17, Law on Freedom of Association). An NGO organized and operated to undertake one or more of the following as its principal activity may apply for public benefit status: humanitarian assistance and relief, support for persons with disabilities, charity, education, health, culture, environmental conservation or protection, economic reconstruction and development, the promotion of human rights, the promotion of democratic practices and civil society, the promotion of gender equality, or any other activity that serves the public beneficiary (Article 17(1), Law on Freedom of Association).

NGO activities are deemed for public benefit only if significant benefits are provided free of charge or at less than fair market value to disadvantaged individuals or groups (Article 17(2), Law on Freedom of Association). NGO with public beneficiary status must file annual financial and activity reports in order to retain that status (Article 18(1), Law on Freedom of Association). Special auditing requirements are prescribed for all NGOs whose annual income exceeds roughly €100,000 (Article 18(9), Law on Freedom of Association). Public benefit status may be suspended should the NGO fail to file a complete annual report or the NGO no longer meets the requirements for public benefit status (Article 19 (1)(3) Law on Freedom of Association). If the status is suspended or revoked, the NGO must wait three years to apply again\(^11\).

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8 Law No. 03/L-134, entered into force in October 2011. NGOs in Kosovo operate in the form of associations and foundations.
9 Law No. 04/L-103, on amending and supplementing the Law No. 03/L-162 on Corporate Income Tax; promulgated by Decree No. DL-019-2012 of May 17, 2012.
10 Law No. 03/L-161 on Personal Income Tax; promulgated by Decree No. DL-020-2012 of May 17, 2012.
Use of Donations. The law does not provide for a specific time-line in which a donation must be utilized - nor does it set out a specific threshold with respect to the organization’s overhead expenses. These issues may be addressed in a donation agreement. However, with respect to the time-line in which donations must be utilized, in the absence of statutory carry-over rules (infra), tax status of donations which the agreement allows to be carried over to subsequent fiscal years remains unclear, nevertheless.

SUMMARIZED OVERVIEW OF OPEN TAX BENEFIT ISSUES IN KOSOVO

<table>
<thead>
<tr>
<th>LAW ON PROFIT TAX FOR LEGAL ENTITIES/LAW ON PROPERTY FOR LEGAL ENTITIES</th>
<th>LAW ON PERSONAL INCOME TAX:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Narrowly defined list of public benefit activities;</td>
<td>• Narrowly defined list of public benefit activities;</td>
</tr>
<tr>
<td>• The list exhaustive, rather than illustrative;</td>
<td>• The list exhaustive, rather than illustrative;</td>
</tr>
<tr>
<td>• The list not consistent with the one provided in the framework regulation;</td>
<td>• The list not consistent with the one provided in the framework regulation;</td>
</tr>
<tr>
<td>• Not clear if donations in-kind are also tax-deductible;</td>
<td>• Not clear if donations in-kind are also tax-deductible;</td>
</tr>
<tr>
<td>• No specific rules with regard to institutional grants to NGOs;</td>
<td>• No specific rules with regard to institutional grants to NGOs;</td>
</tr>
<tr>
<td>• No specific carry-over rules for donations;</td>
<td>• No specific carry-over rules for donations;</td>
</tr>
<tr>
<td>• No specific rules for the overhead of the organization.</td>
<td>• No specific rules for the overhead of the organization.</td>
</tr>
</tbody>
</table>