



Ministria e Tregtisë dhe Industrisë  
Ministarstvo Trgovine i Industrije  
Ministry of Trade and Industry



**BASIC PERFORMANCE INDICATORS REPORT ON  
BUSINESS REGISTRATION IN KOSOVO FOR THE PERIOD:  
JANUARY – MARCH 2018**

**KOSOVO BUSINESS REGISTRATION AGENCY**

**APRIL 2018**

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# I. INTRODUCTION

This report is a result of joint assessment conducted for the first quarter of 2018 by the Kosovo Business Registration Agency (hereinafter “KBRA”) with support from the USAID Partnerships for Development Project (hereinafter “USAID PFD”) of several performance indicators related to the business registration process in Kosovo.

During this period, a joint team composed of KBRA officials and USAID PFD advisers analyzed a range of indicators related to the performance of KBRA, including:

- Times of business registration in general in Kosovo and for Limited Liability Companies in particular, and by municipality;
- Total number of businesses registered by legal form and by total number of businesses deregistered by the form of the business organization;
- Total number of branches of foreign companies registered by country of origin;
- Number of foreign owners, partners or shareholders included in the business organizations in Kosovo, by types of business organizations;
- Percentage of women-owned individual businesses; and
- Percentage of partners or shareholders by gender in the business organizations in Kosovo.

As the business registration process enhances further, including efforts for the functionalization of full electronic registration, it is expected that the number of indicators and the quality of the data will be increased and reflected in subsequent reports.

This report analyses data extracted from the business registry of KBRA on businesses required by specific laws in Kosovo to be registered at KBRA. According to the Law on Business Organizations the process of registration of business organizations in Kosovo is a formal, administrative and informative act. Consequently, this report does not make any assumptions or provide any information on the number of business organizations which are active and operating in Kosovo, but it focuses mainly in measuring efficiency of KBRA and municipal registration centers in conducting business registration or deregistration procedures.

From the comparison of the data for this quarter, which includes the period January 1 - March 31, 2018 with the same quarter of last year, January - March 2017, there is decline in the registration time for all companies of only **6.5%**. Unlike previous quarterly reports when the comparisons were made with the preceding quarter, starting from this quarterly report, comparisons will be made with the same quarter of the preceding year.

For the purposes of this report days are calculated based on the measurement of business days. The comparison between the cumulative averages of days of the previous quarter (“old value”) with the cumulative averages of days of the current quarter (“new value”) is calculated using the percentage change formula<sup>1</sup>.

To obtain a clearer picture of the number, size and operational status of business organizations and other economic entities engaged in economic activity in Kosovo would require a more comprehensive effort involving other Government institutions, primarily the Tax Administration of Kosovo and the Ministry of Public Administration.

According to the Law on Business Organizations and other applicable laws, KBRA currently registers the following legal forms of business organizations: Individual Business, General Partnership, Limited

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<sup>1</sup>  $\text{New value (V2) - Old value (V1)} \div \text{Old value (V1)} \times 100\% = \text{Percentage change}$

Partnership, Limited Liability Companies, Joint Stock Companies, Branches of Foreign Companies and Agricultural Cooperatives.

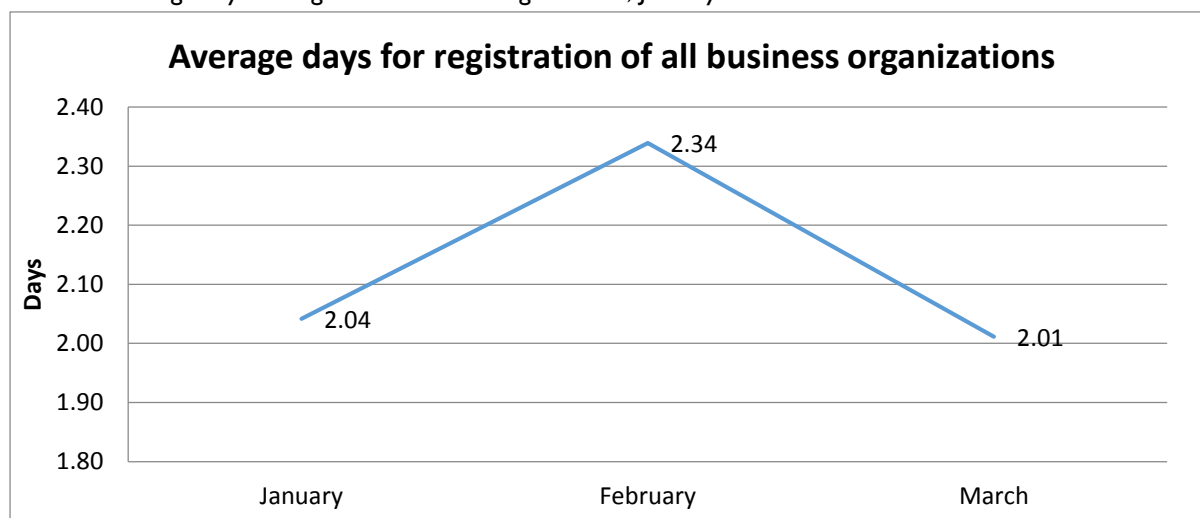
## II. AVERAGE DAYS TO REGISTER A BUSINESS

Business organizations, as defined in the Law on Business Organizations are required to register at the KBRA central office in Pristina or in one of the 29 municipal business registration centers across Kosovo. This section of the report measures the number of days needed to register a business organization.

Chart I presents the total average of days based on registration of all legal forms of business organizations despite large variances in the time required for the registration of various types, e.g. the time required to register an Individual Business is considerably shorter than the time required to register a Joint Stock Company.

The cumulative average of days for registration of all business organizations in the same quarter of the previous year was 2.00 days, which when compared to the current quarter when the cumulative average of days increased to 2.13 days, represents a decline of 6.5%.

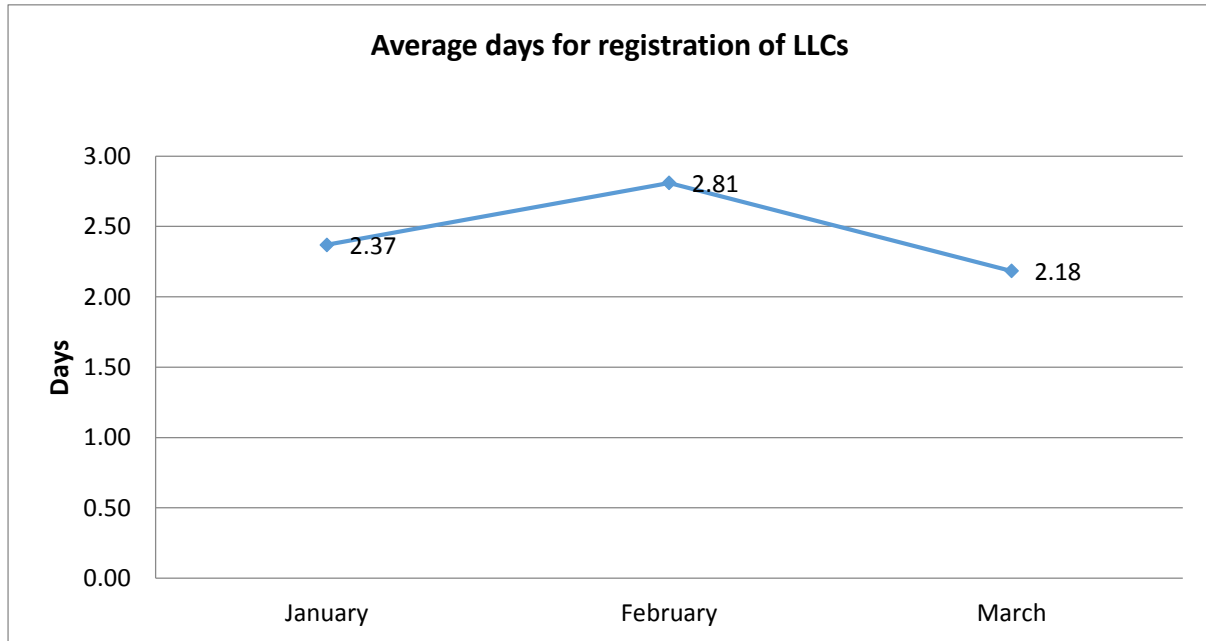
Chart I: Average days to register a business organization, January - March 2018:



### III. AVERAGE DAYS TO REGISTER AN LLC

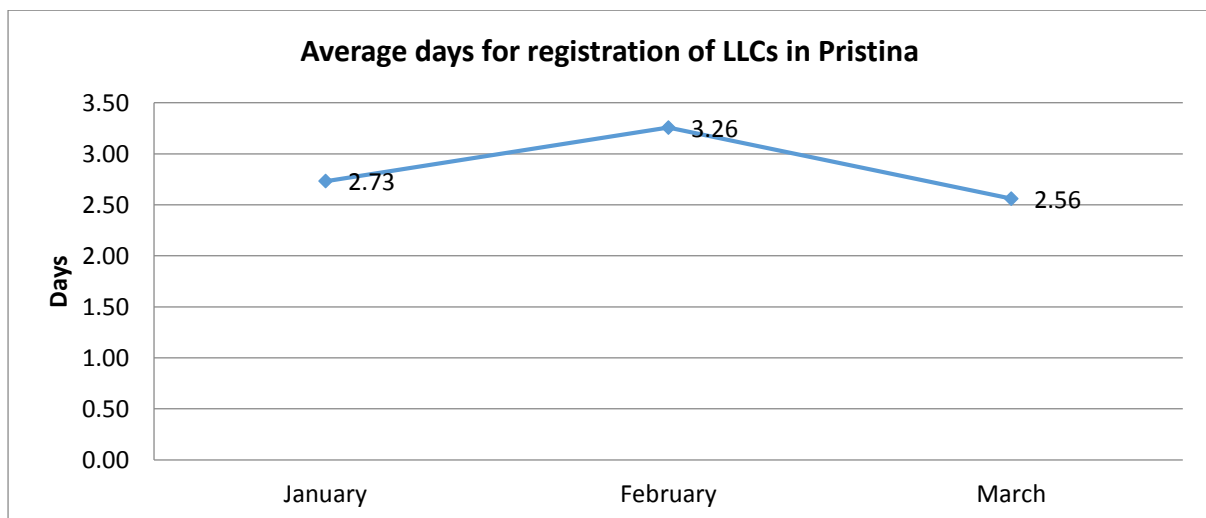
This section of the report analyzes the time required to register a Limited Liability Company (LLC). The cumulative average of days for registration of LLCs in the same quarter of the previous year was 2.52 days, which when compared to this quarter when the cumulative average of days has decreased to 2.43 days, represents an improvement of 3.6%.

Chart 2: Average days to register an LLC, January - March 2018:



Furthermore, Chart 3 below shows the average days to register an LLC at the KBRA Business Registration Center in Pristina. The cumulative average of days for registration of LLCs in Pristina in the same quarter of the previous year was 2.49 days, which when compared to this quarter when the cumulative average of days increased to 2.83 days, represents a decline of 13.6%.

Chart 3: Average days to register an LLC at the business registration center in Pristina, January - March 2018:



## IV. BUSINESS REGISTRATION TIME BY REGISTRATION CENTER

Table I below shows the average number of days to register a business organization by municipal business registration center. The table displayed below includes 29 municipal business registration centers and the KBRA central office in Pristina.

The separation by registration centers is created based on the data of registered addresses of business organizations. If a business has a registered address in Gjilan/Gnjilane, it is assumed that the business is registered at the registration center in Gjilan/Gnjilane, even though it is possible that this business had registered at the main KBRA registration center in Pristina. The reason for this is because KBRA currently has a unified system of registering business organizations which includes data for business organizations registered in the entire territory of Kosovo and not by registration center.

Table I: Average days to register a business organization by Municipal Business Registration Centers, January – March 2018:

Registration Center	January	February	March	Average
Deçan/Deçane	2.71	1.70	2.00	2.24
Dragash/š	1.75	1.50	7.00	2.22
Ferizaj/Uroševac	2.25	2.26	1.98	2.18
Fushë Kosovë/Kosovo Polje	2.08	2.47	2.21	2.27
Gjakovë/Đjakovica	1.79	2.24	1.98	2.00
Gjilan/Gnjilane	2.00	2.14	1.73	1.95
Glllogoc/Glogovac	1.74	1.77	1.50	1.67
Graçanicë/Gračanica	1.86	3.50	2.00	2.58
Hani i Elezit/Elez Han	1.63	2.25	1.33	1.73
Istog/k	1.53	1.45	1.86	1.59
Kaçanik/Kaçanik	1.57	3.00	1.50	1.84
Kamenicë/a	2.00	1.67	1.12	1.57
Klinë/a	1.53	1.60	1.67	1.60
Lipjan/Lipljan	1.67	1.95	1.63	1.75
Malishevë/Mališevo	2.40	1.60	1.40	1.74
Mitrovicë/a	2.06	1.63	2.00	1.91
North Mitrovica	2.04	1.73	1.68	1.80
Novobërdë/Novo Brdo	3.67	1.00	2.00	2.80
Obiliq/ç	2.00	2.43	2.70	2.43
Pejë/Peć	1.46	1.80	1.69	1.65
Podujevë/o	1.60	1.73	2.00	1.76
Pristina	2.52	3.06	2.47	2.67
Prizren	1.42	2.03	1.62	1.69
Rahovec/Orahovac	1.25	1.55	1.70	1.51
Shtërpcë/Štrpce	2.20	1.20	1.00	1.58
Shtime/Štimlje	2.10	2.40	1.53	1.92
Skenderaj/Srbica	1.67	1.55	1.37	1.50
Suharekë/Suva Reka	2.13	3.00	1.83	2.36

Viti/Vitina	1.57	2.92	1.54	1.91
Vushtrri/Vučitrn	2.50	2.03	2.15	2.18
<b>Average</b>	<b>2.04</b>	<b>2.34</b>	<b>2.01</b>	<b>2.13</b>

\* Red color represents a high average of days for registration of a business organization.

\*Green color represents a low average of days for registration of a business organization.

## V. REGISTRATION AND DEREGISTRATION BY LEGAL FORM OF BUSINESS ORGANIZATION

Table 2 below presents the number of registered and deregistered business organizations by legal form of business organization and by month of registration for the period January - March 2018. The most registered legal form during this quarter is the Limited Liability Company, followed by the Individual Business. The legal form most deregistered is the Individual Business, followed by the Limited Liability Company.

Table 2: Number of business organizations registered and deregistered by legal form, January - March 2018:

Registration by legal form	Month	Individual Business	General Partnership	Limited Partnership	Limited Liability Company	Joint Stock Company	Branch of Foreign Company	Agricultural Cooperative	Total
Business Organizations registered	January	360	3	0	473	3	2	0	841
	February	413	3	0	443	2	3	0	864
	March	334	0	0	543	1	2	2	882
	<b>Total</b>	<b>1,107</b>	<b>6</b>	<b>0</b>	<b>1,459</b>	<b>6</b>	<b>7</b>	<b>2</b>	<b>2,587</b>
Business Organizations deregistered	January	107	2	0	19	0	3	0	131
	February	153	3	0	16	0	0	0	172
	March	163	3	0	15	0	2	0	183
	<b>Total</b>	<b>423</b>	<b>8</b>	<b>0</b>	<b>50</b>	<b>0</b>	<b>5</b>	<b>0</b>	<b>486</b>

## VI. REGISTRATION OF BRANCHES OF FOREIGN COMPANIES BY COUNTRY OF ORIGIN

Based on the Law on Business Organizations, a foreign company is defined as any business organization that has been duly established and is currently validly existing under the law of a jurisdiction outside Kosovo and which may engage in business activities in Kosovo through the registration of a branch in Kosovo at KBRA. Table 3 below shows the total number of branches of foreign companies registered in Kosovo pursuant to the Law on Business Organizations for the period January – March 2018.

Table 3: Branches of foreign companies registered in Kosovo by country of origin, January - March 2018:

Country of origin of foreign companies	Branches of foreign companies
Croatia	1
Jordan	1
Serbia	1
Albania	3
Sweden	1
<b>Total</b>	<b>7</b>

## VII. NUMBER OF BUSINESS ORGANIZATIONS INCLUDING AT LEAST ONE FOREIGN OWNER, PARTNER OR SHAREHOLDER

The data in Table 4 present the number of business organizations which include at least one foreign owner, partner or shareholder. During the period January - March 2018, a total of 2,587 business organizations were registered, from which 185 have one foreign natural or legal person as owner, partner or shareholder. This number does not include branches of foreign companies, which are presented in Table 3.

As can be seen in Table 4, the most registered legal form of business organization among foreign persons is the Limited Liability Company.

Table 4: Number of business organizations including at least one foreign owner, partner or shareholder, January – March 2018:

Month	Individual Business	General Partnership	Limited Partnership	Limited Liability Company	Joint Stock Company	Agricultural Cooperative	Total
January	12	2		46	1		61
February	15	3		51	1		70
March	5			49			54
<b>Total</b>	<b>32</b>	<b>5</b>		<b>146</b>	<b>2</b>		<b>185</b>

\* The data presented in the table does not include the percentage of capital of foreign persons. The purpose of this table is to present the participation of foreign persons as owners, partners or shareholders in business organizations in Kosovo.

\*This table does not include the number of "Branches of Foreign Companies" which is presented in Table 3.



## VIII. REGISTRATION OF BUSINESS ORGANIZATIONS BY GENDER

Data in Chart 4 and 5 present the gender participation in business organizations registered during the period January - March 2018. Due to the nature of different legal forms of business organizations, the data below are presented separately for Individual Businesses, which are sole proprietorships and are usually small businesses, and separately for other legal forms of business organizations where owners participate as partners or shareholders in larger or more diverse business organizations.

Chart 4 shows the percentage of female and male owners in Individual Businesses.

Chart 4: Percentage of Individual Businesses by Gender, January - March 2018:

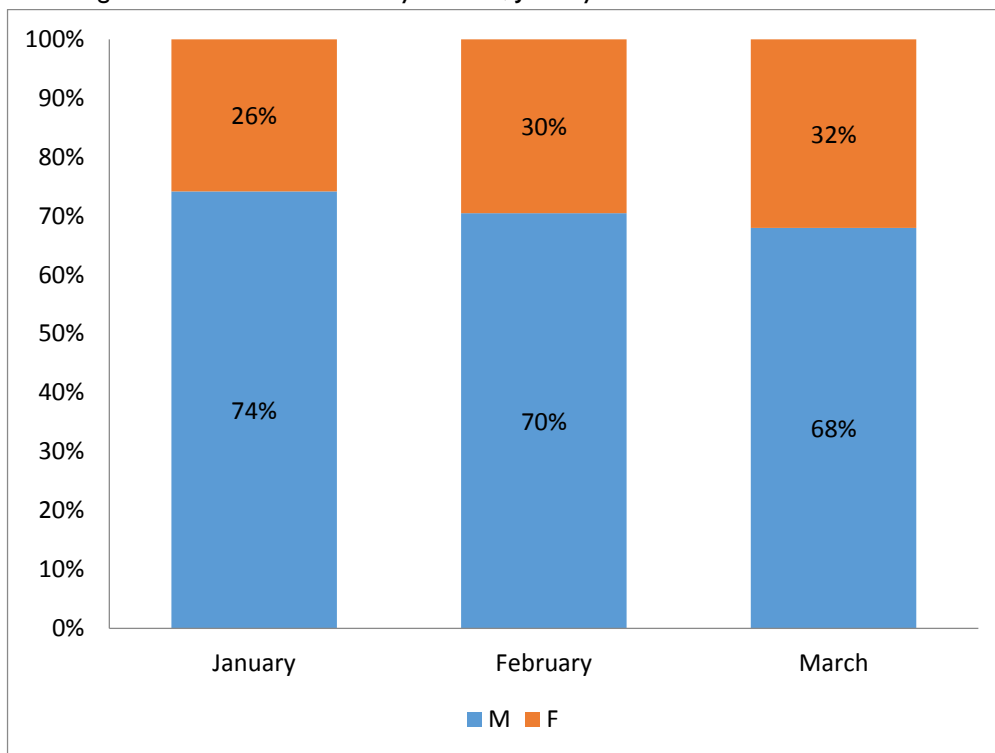
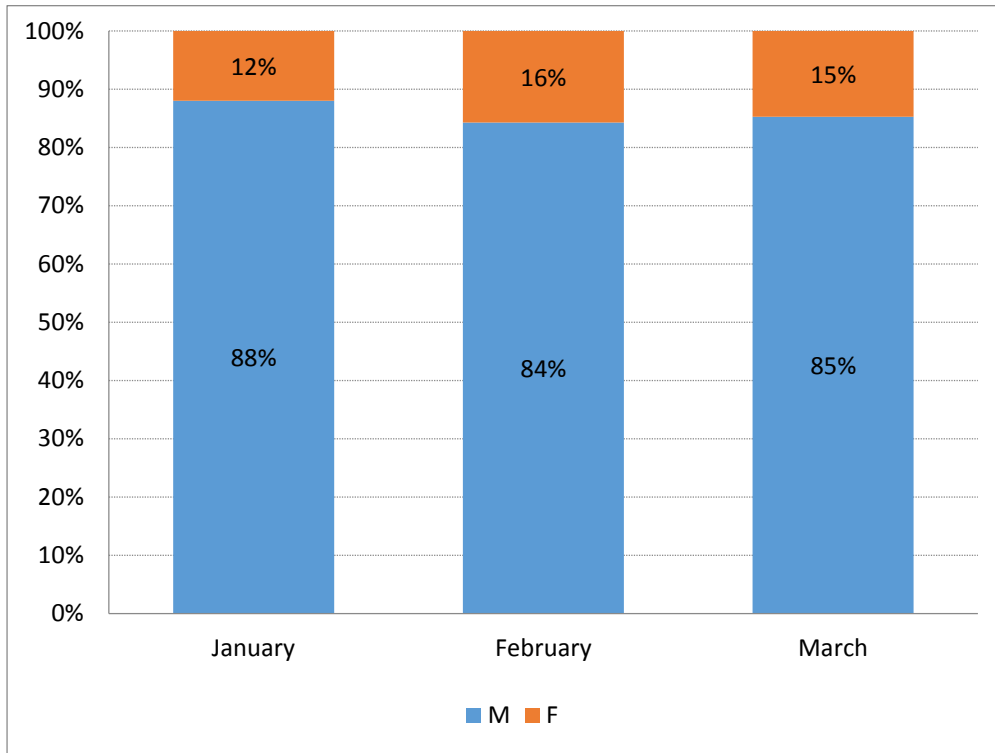


Chart 5 shows the percentage of partners or shareholders of business organizations by gender registered, excluding individual businesses and branches of foreign companies.

Chart 5: Percentage of Partners and Shareholders by Gender, January - March 2018:



## **IX. CONCLUSION**

The Ministry of Trade and Industry, in order to further improve the efficiency of registration at KBRA undertook a number of actions:

- Initiated development, institutionalization, and regular use of performance metrics drawing on official registration data to monitor the time across municipal registration centers for processing of registration applications and identifying best performers and most improved ones;
- Increased focus on ensuring compliance with the Law on Business Organizations, which is currently in the process of edit and amendment;

The publication of regular performance measurement reports prepared and published by the KBRA serve as an informative tool for further process improvements.

USAID Partnerships for Development Project will continue to support this approach until full institutionalization.

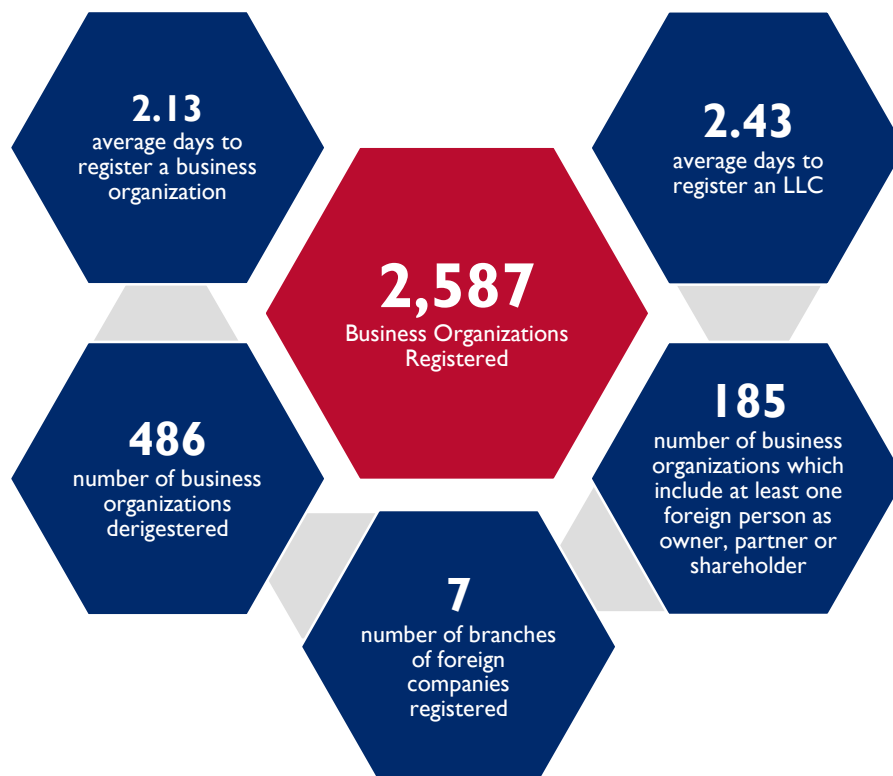
# QUICK FACTS ON BUSINESS REGISTRATION IN KOSOVO

Below is a quick summary of the data presented in the “Basic Performance Indicators for Business Registration in Kosovo” Report for the January - March 2018 period.

This report and summary were prepared by the Kosovo Business Registration Agency (KBRA) with support from the USAID Partnerships for Development Project.

These data present various figures, ranging from the average days for registration of a business organization to the number of business organizations including at least one foreign person as owner, partner or shareholder.

## SUMMARY FOR THE PERIOD JANUARY – MARCH 2018



## SUMMARY FOR THE PERIOD 1999 – MARCH 2018

