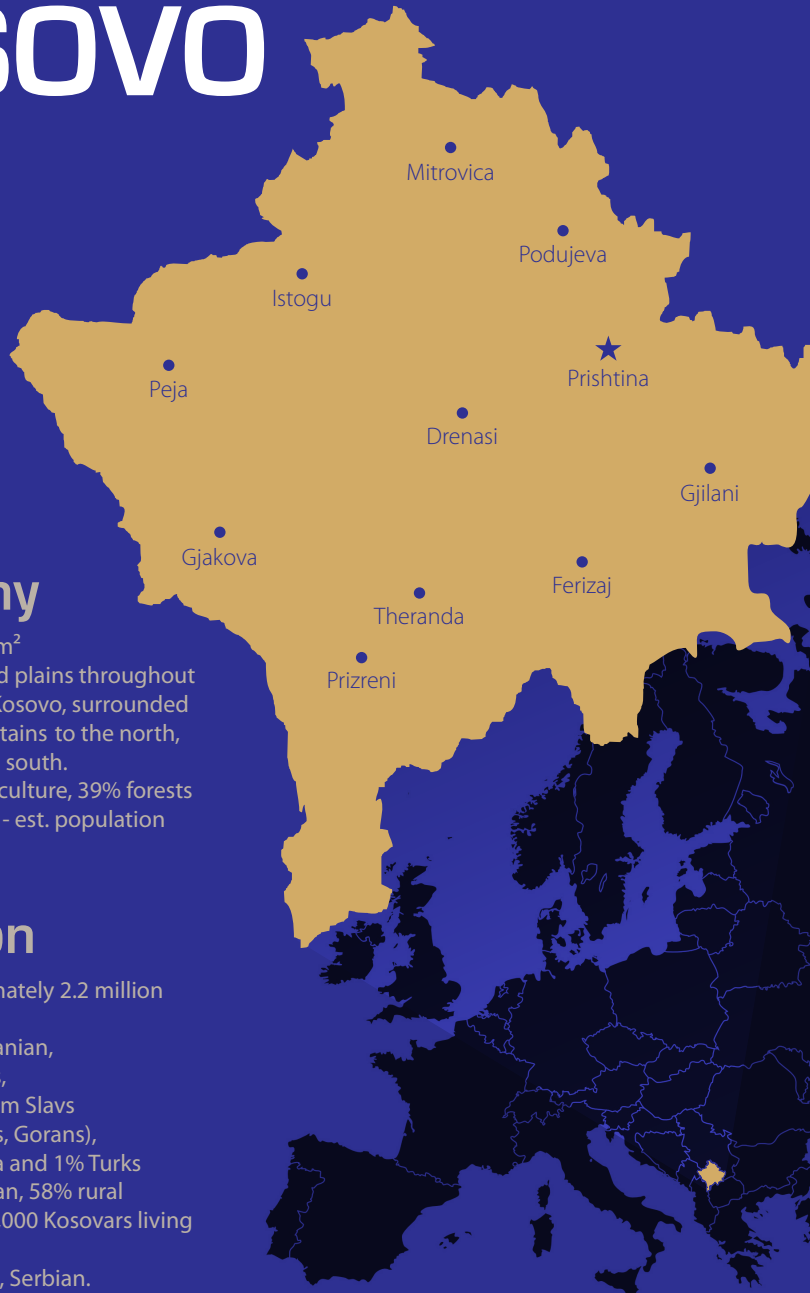


# FACTSHEET KOSOVO



## Geography

- Land area: 10,908 km<sup>2</sup>  
Terrain: Low flood plains throughout central Kosovo, surrounded by mountains to the north, west and south.  
Land Use: 53% agriculture, 39% forests  
Capital: Prishtina - est. population 500,000

## Population

- Population: approximately 2.2 million  
Ethnic composition: 90% Albanian, 5% Serbs, 2% Muslim Slavs (Bosniaks, Gorans), 2% Roma and 1% Turks  
Distribution: 42% urban, 58% rural  
Diaspora: over 500,000 Kosovars living abroad  
Languages: Albanian, Serbian.  
Due to international presence is English short of official language.

# Economy

**Currency:** EURO

**Gross Domestic Product (GDP):**

In 2007: 2,378 bn euro; GDP growth rate: 3.5%; GDP growth comes mostly from private sector (10% growth only in 2006).

**Inflation:**

Since 2004 close to 0 percent; 2007: 2%.

**Financial Sector:**

Two tier banking system consisting of Central Banking Authority of Kosovo and 8 private banks, 9 insurance companies and 2 pension schemes.

**Enterprises:**

Over 62,000 SME in 2008; 500 Socially Owned Enterprises of which 300 already privatized.

**Budget:** In 2008 totalling over 1 bn.

**Tax System:**

VAT 15%, Corporate Profit TAX 20 %, Wage Tax progressive max. 20% (Tax reform in process).

**Tariff duties:**

Customs duties: 10% on imports; 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 Area – CEFTA.

**Labour market:**

Average wage 236, multilingual, skilled and well educated work force.

**Location factors:**

Competitive and well educated workforce, enviable natural resources (mining, agriculture), low taxes and a transparent tax system, high purchase power through remittances (app. 400 million annually), customs free access to the EU market and CEFTA members market.



## Investment Opportunities

Kosovo offers excellent investment opportunities in mining and energy, agriculture, food processing, tourism, infrastructure, construction, automotive components, and textiles. For additional information on investment opportunities contact IPAK Vienna at [www.ipak-vienna.org](http://www.ipak-vienna.org)



## Education

The school-system and the higher education have been reformed, giving a great importance to the quality of the education.

Over 30,000 students at two public universities and over 10,000 at numerous private universities and colleges.

420,000 children are attending nearly 1,200 schools.

## European Integration

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

The Stabilization and Association Process Tracking Mechanism (STM) is the instrument that guides and monitors Kosovo's development with regard to the European Partnership.



## Communication

**Telecommunication:**

The Post and Telecommunications of Kosovo (PTK) offers all services: Post (120 post-offices), fixed and mobile telephony, Internet ("Dardanet").

**Fixed network:**

135,000 fixed telephone connections. Second license (incl. VoIP) issued to iPKO NET in July 2006.

**Mobile Network:**

around 800,000 customers of "Vala" (PTK) and app. 270,000 customers of newly established operator iPKO – Slovenian Telekom. "Vala" is expected to be privatized in 2008.

**Internet:**

Wide coverage; 3 licensed providers; over 15% of population have internet access.



## Transportation

**Road network:**

The road network consisting of 630 km of main roads has been rebuilt to a high extent in the past years or built from scratch respectively. With the planned construction of the highway to Albania, Kosovo is becoming an important point in connecting the Adriatic Sea with the Western Europe.

**Railway:**

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

**Air transportation:**

Prishtina International Airport (PIA) is, with over 1 million passengers per year, one of the most frequented airports of the region. It serves different international airway lines and offers flights to the most important European centres. Prishtina Airport was the first and only airport to offer direct connection to New York (USA) starting from 2007. In June 2006, the airport was awarded the 'Best Airport 2006 Award' in the category of 1 million passengers per year'. In February 2007 the Government of Kosovo gave the green light for starting the procedures on granting a concession on the Prishtina International Airport.



## Judiciary

Applicable commercial Law in compliance with EU standards.

From February 2007 the new EU mission EU-LEX with over 2,000 staff members supports the rule of law in Kosovo.

Court structure includes the Supreme Court of Kosovo, District Courts, Municipal Courts and Courts of Minor Offences.



## Security

7,203 Kosovo Police Service (KPS) officers;  
over 1,000 international police officers,  
17,000 NATO Peacekeepers.

Specialized agencies, including Financial Investigation Unit, investigate misuse of public money and financial crime.

Financial Information Centre (FIC) monitors financial transactions by banks, financial institutions and other entities as a check against money laundering operations.

Cooperation agreements signed with Albania, FYROM, Serbia and Montenegro.

# About Us

### Mission:

Contribute to Kosovo's economic development by promoting foreign investments from the German-Speaking Countries.

### Free-of-charge Services:

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

### Implementation:

The Vienna Office of Investment Promotion Agency of Kosovo is a project implemented by the Economic Initiative for Kosova - ECIKS.

### Project financed by:

Austrian



Development Agency

# IPAK

Investment Promotion Agency of Kosovo  
Office in Vienna - Implemented by

# eciks

Economic Initiative for Kosovo

Nussdorfer Strasse 20 / 23

A-1090 Vienna, AUSTRIA

Tel: +43 (1) 890 50 26

Fax: +43 (1) 890 50 26 26

Web: [www.ipak-vienna.org](http://www.ipak-vienna.org),  
[www.eciks.org](http://www.eciks.org)

E-Mail: [info@ipak-vienna.org](mailto:info@ipak-vienna.org),  
[info@eciks.org](mailto:info@eciks.org)