



**Republika e Kosovës – Republika Kosova – Republic of Kosova**

**Kuvendi Komunal – Skupština Opštine – Municipal Assambly**

**JUNIK**

**REGULATION FOR CONDITIONS, CRITERIA AND PROCEDURES FOR ALLOCATION OF SUBSIDIES**

**October, 2018**

 **Junik**

Pursuant to Article 12, paragraphs 1 and 2, point c, of Law no. 03/L-040, on Local Self-Government (Official Gazette of the Republic of Kosova, No. 28/2008, dated June 4, 2008), Article 17 paragraph. 1 and 2 of the Law No. 03/L-048, on Public Financial Management and Accountability and pursuant to Article 36, par. 3, of the Financial Rule No. 01/2013 - MF - Expenditure of public money, and Article 22, point 3 of the Statute of the Municipality of Junik No. 001/3127 of 29.10.2010, the Municipal Assembly of Junik, in the meeting held on 31.10.2018, approved this

**REGULATION**

**FOR CONDITIONS, CRITERIA AND PROCEDURES FOR ALLOCATION OF SUBSIDIES**

**Article 1**

**Purpose and Scope**

1. This Regulation sets out the conditions, criteria and procedures that enable the Municipality to allocate non-repayable financial assets from the category of subsidies for the areas referred to in this Regulation to physical and legal persons.

2. The provisions of this regulation are applied by municipal bodies during the allocation of subsidies to beneficiaries.

**Article 2**

**The definitions**

1. Terms used in this regulation shall have the following meaning:

1.1. Subsidies - For the purposes of this regulation, subsidies include unilateral, irrevocable transfers of the budgetary means of the institution to the current account of the beneficiaries, whose income does not cover the respective expenditures for achieving a legitimate public interest purpose;

1.2. Irrevocable payment - is unilateral when there are no goods and services that are derived as compensation or equivalent for the payment;

1.3. Beneficiary - means physical and legal persons benefiting from the category of subsidies planned in the Municipality Budget and in accordance with the Law on Budgetary Appropriations; and

1.4. Habitant resident- means a person who lives and operates in the Municipality and possesses valid documentation of the Republic of Kosova.

**Article 3**

**Budget Boundaries**

1. The Municipality allocates subsidies based on the Budget Law for the fiscal year for which subsidies are allocated and only to the extent specified in this law.

2. The allocation of subsidies to NGOs will be made in accordance with Article 2, point 5 of UNMIK Regulation No. 04/2017 on NGO Criteria, Standards and Procedures for Public Financing.

3. This Regulation sets out the conditions, criteria and procedures that enable the Municipality to allocate non-repayable financial assets from the category of subsidies for the areas referred to in this Regulation to physical and legal persons.

**Article 4**

**General application rules for subsidies**

1. The municipality may subdivide subsidies for physical and legal persons on the basis of their request and in accordance with the provisions of this regulation.

2. A physical and legal person may be a beneficiary of subsidies separate from the Municipality if it has completed the obligations towards the Municipality.

3. Conditionality with the ending of obligations against other institutions of a physical and legal person may be determined according to specific areas by the Municipality itself.

**Article 5**

**General procedures for allocating subsidies**

1. The procedure for allocating subsidies from the Municipality may be developed on the basis of a public call or in special cases on the basis of a reasoned request when it is permitted by the provisions of this Regulation.

2. During allocation of subsidies through the public call of the Municipality, the scope of subsidy, the criteria, the necessary documents for application and other relevant information are clearly defined.

3. The examination of requests and the allocation of subsidies on the basis of a public call shall be conducted in accordance with the provisions of this Regulation.

4. Review and evaluation of requests for dividing subsidies outside the public call of the Municipality is done within 15 working days from the submission of the request.

**Article 6**

**Exemptions from subsidy allocation**

1. Beneficiaries of allocated subsidies by the municipality cannot be physical persons of non-residents of the municipality.

2. A physical or legal person only once a year may be a beneficiary of subsidies separate from the Municipality.

3. The derogation from paragraph 2 of this Article shall make separate subsidies for physical persons in the field of health and nutrition (social welfare).

4. If the beneficiary's fault does not meet the obligations set out in the decision or agreement on the allocation of subsidies, for the next 3 (three) years the beneficiary loses the right to benefit from each category of subsidy.

**Article 7**

**Commissions for reviewing and evaluating requests for subdivision of subsidies**

1. The Mayor appoints interim commissions for reviewing and evaluating requests for subdivision of subsidies in the composition of representatives from specific areas.

2. Commissions for reviewing and evaluating requests for subdivision of subsidies shall act in accordance with the general principles of legality and in conformity with authorizations given by the Mayor.

3. The composition of the Commission should be of 5 members, one of the members of the commission should be a finance officer and one member may be from civil society having a similar scope to the area to be awarded the subsidy.

4. The Chairperson and other members of the Commission for reviewing and evaluating requests for subdivision of subsidies should be civil servants of the Municipality, with the exception of the civil society member.

5. The composition of the Commission should be based on the principle of gender equality.

6. Members of the Commission for the Evaluation of Subsidy Demand Applications shall be responsible for the proper implementation of the criteria for subdivision of subsidies.

**Article 8**

**Assessment of requests and decision-making**

1. The Commission reviews and evaluates requests for subdivision of subsidies within 15 working days after the deadline for public announcement.

2. Commissions for reviewing and evaluating requests for subdivision of subsidies shall act in accordance with the legislation on public finances and the provisions of this regulation as well as the legislation in force.

3. The Commission's recommendations for reviewing and evaluating requests for subdivision of subsidies shall be taken by majority vote of the total number of members of the Commission.

4. The Commission shall keep minutes from its meetings, which shall be signed by the members of the Commission.

5. The Commission recommends to the Mayor the list of beneficiaries of subsidies in accordance with the criteria set out in the public announcement for the allocation of subsidies and in accordance with the provisions of this Regulation, and recommends that the decision on subsidies be divided.

6. Based on the recommendation of the committee, the Mayor makes a decision on the allocation of subsidies and within five working days, the list of selected beneficiaries is published on the official website as well as on the public announcement table of the municipality.

7. All applicants are notified of the right and the procedure for filing the complaint through the published list.

8. Requests that do not meet the criteria for subsidies shall be rejected by the Chairman upon recommendation of the Commission.

9. The Mayor may request that the Committee for the Evaluation of Submission Claims Re-evaluate Claims or cancel the entire Evaluation Process and designate a new commission for assessing claims subdivision.

10. The Mayor shall make a final decision on the allocation of subsidies, in accordance with the recommendation of the Commission, within a period of five working days after the expiry of the time limit for the filing of the complaints referred to in Article 10 of this Regulation.

**Article 9**

**Commissions for reviewing and evaluating claims for subsidy allocation**

1. The Mayor appoints commissions with a three-year mandate to review complaints on the allocation of subsidies in the composition of representatives from specific areas.
2. The chairman and the members of the Commission for reviewing and evaluating claims for subdivision of subsidies should be civil servants.
3. The Commission shall be composed of 3 members.
4. The Commission shall keep minutes from its meetings, which shall be signed by the members of the Commission.
5. A member of the Commission for the review of claims for the allocation of subsidies shall be the legal officer of the respective unit.
6. Members of the Commission for Appraisal of Complaints for Subsidies may not be officials who have been part of the Commission for reviewing and evaluating requests for subdivision of subsidies.
7. The composition of the Commission should be based on the principle of gender equality.

**Article 10**

**Submission and resolution of complaints**

1. The appeal shall be filed within 5 working days after notification of the decision of the Mayor for not allocating subsidies.

2. The Commission must review the complaints and take a decision within 10 working days after the expiry of the time limit for filing the appeals.

3. The Appeals Committee during the decision-making process shall act on the basis of the Law on Administrative Procedure and the provisions of this Regulation.

4. The decisions of the Commission for reviewing the claims for the division of subsidies shall be taken by majority vote of the total number of members of the Commission.

5. The Appeals Commission has the right to:

 5.1. to reject the appeal of the parties as unfounded; and

 5.2. to ask the evaluation committee to reconsider the applicants' requests.

**Article 11**

**The enforceability of the decision**

1. The Chairman's decision on the allocation of subsidies becomes enforceable if:

 1.1. no complaint has been filed under paragraph 1 of Article 10; and

 1.2. with the decision of the Complaints Commission is rejected the complaint.

**Article 12**

**Public Announcement on Subsidies Allocation**

1. The subsidy allocation process starts through public announcements which are published on the municipal website, the local media, the announcement boards, and the places frequented in the territory of the municipality.

2. The announcement shall specify the criteria and procedures to apply for the allocation of subsidies set out in this Regulation.

3. The public announcement is published at least 10 working days from the date of the announcement.

**Article 13**

**Subsidy Agreement**

1. An agreement should be concluded for the realization of subsidies, which defines the rights and duties between the municipality and the beneficiary of the subsidy.

2. The agreement must be concluded in any case where the subsidy awarded exceeds 5,000 euros.

3. The agreement provided for in point 2 of this article shall not apply to subsidies granted for the treatment of health illness and for the reward of students, teachers and athletes for achievements in national or international competitions.

4. The agreement shall specify the parties to the agreement, the purpose, the amount of the financial means, the time limits, the duties and responsibilities of the parties, the supervision, the form of subsidy, reporting, entry into force and other relevant parts of the agreement.

5. The agreement must be signed within 10 working days after the announcement of the final decision on the allocation of subsidies.

**Article 14**

**Education subsidies**

1. The municipality may allocate subsidies for education including but not limited to:

 1.1 Student scholarship;

 1.2 Scholarships for high school students;

 1.3 Scholarships for Primary School Students;

 1.4 Deficiency frameworks;

 1.5 Students with special needs;

 1.6 Race or quay (off-school activities);

 1.7 Publishing of books / magazines; and

 1.8 Students, teachers, students who have shown results at national and international level;

2. Categories and amounts of subsidies shall be determined by a special decision of the Mayor for each fiscal year.

**Article 15**

**Criteria and documents required for scholarship allocation**

1. The Mayor shall, by a special decision, set clear criteria for awarding scholarships, including but not limited to:

 1.1 Average mark;

 1.2 Number of students / students in the family;

 1.3 Warfare categories (for students only);

 1.4 Housing in rural areas;

 1.5 Results in races; and

 1.6 Economic situation.

1. Documents to be submitted during the grant application for scholarships include but are not limited to:

 1.1 Identification document;

 1.2 Certificate of grades;

 1.3 Certificate of the calendar year of studies;

 1.4 Residence Certificate;

 1.5 Evidence on the economic situation;

 1.6 Evidence that parents are war categories; and

 1.7 Evidence of Race Results;

1. The applicant may not be a scholarship beneficiary if within the same fiscal year he/she has been a beneficiary of a scholarship funded by the central government or any other donor for the same field.

2. The municipality should make a public announcement of scholarships, which is published on the municipal website, in the frequented places, in the social and local media.

**Article 16**

**Subsidies for economic development**

1. The municipality may allocate subsidies for economic development including but not limited to:

 1.1 Traditional crafts;

 1.2 Accessories;

 1.3 Agribusinesses;

 1.4 Information Technology;

 1.5 Public Enterprises;

 1.6 Innovative Businesses;

 1.7 Social Enterprises;

 1.8 Activities of associations that assist and promote economic development and tourism;

 1.9 Business Incubators;

 1.10 New or Initial Businesses;

 1.11 Human capacity building activities for business development; and

 1.12 Market research activities of student groups.

2. Beneficiaries of subsidies for economic development may be only businesses operating in the Municipality.

3. Beneficiaries of subsidies for economic development cannot be businesses that have unpaid municipal financial obligations and TAK.

**Article 17**

**Advantages in allocating subsidies for economic development**

1. During the allocation of subsidies for economic development, on equal terms, the municipality gives priority to the following specific cases:

* 1. Manufacturing, processing and service businesses that create employment;
	2. Women, youth, rural areas, people with special needs and communities;

 1.3 Businesses that have secured third-party co-financing with a percentage (%) assigned by the project value. The required co-financing rate will be determined depending on the

Municipality’s budget opportunities;

 1.4 Businesses possessing professional testimony or certifications;

 1.5 NGOs who apply with business projects that enable job creation; and

 1.6 Businesses that have not previously received subsidies from the municipality and during the same fiscal year have not been beneficiaries of a subsidy for economic development separated from the central government or any other donor.

2. Businesses as defined in paragraphs 1.3 and 1.4 of this Article may apply for subsidy allocation even outside the public announcement period with a reasoned request.

**Article 18**

**Documents needed to apply for subsidies for economic development**

1. Documents to be submitted during the application for the allocation of subsidies for economic development include, but are not limited to:

* 1. Business plan;

 1.2 Identification document;

 1.3 Residence certificate (for physical persons);

 1.4 Business certificate;

 1.5 Proof of payment of municipal taxes;

 1.6 Proof of payment of property tax;

 1.7 Evidence that there are no obligations to TAK;

 1.8 Proof of co-financing (if co-financed); and

 1.9 Confirmation by the bank of the applicant's bank account;

**Article 19**

**Subsidies for agriculture**

1. The municipality may allocate agricultural subsidies, including but not limited to:

 1.1 Projects of farmers, associations, agricultural cooperatives, in agricultural areas with priority for the Municipality;

 1.2 Organization of fairs, seminars, study visits;

 1.3 Supporting co-financing projects; and

 1.4 Projects in the Forestry Sector.

2. When allocating subsidies to agriculture, the municipality gives priority on equal terms:

 1.1 Priority Areas Identified by the Municipality;

 1.2 Participation of the farmer in co-financing with a percentage (%) assigned by the project value. The required co-financing rate will be determined depending on the municipality's budget opportunities;

 1.3 Women, Youth, People with Special Needs and Minorities; and

 1.4 Applicants who have not previously received subsidies from the municipality and during the same fiscal year have not been beneficiaries of a subsidy for agriculture separated from the central government or any other donor.

**Article 20**

**Documents needed to apply for subsidies in agriculture**

1. Documents that must be submitted during the application for subdivision of agricultural subsidies by legal persons include, but are not limited to:

 1.1 Farmer Identification Number (FIN);

 1.2 Business certificate;

 1.3 Project and financial plan;

 1.4 Immovable property file;

 1.5 Proof of payment of municipal taxes;

 1.6 Proof of payment of property tax;

 1.7 Evidence that there are no obligations to TAK;

 1.8 Confirmation by the bank of the applicant's bank account;

 1.9 Identity document of authorized person for withdrawal of assets and authorization.

 1.10 Proof that it is not a beneficiary of a subsidy separate from the central government in this area within the fiscal year.

2. The documents to be submitted during the application for the subdivision of agricultural subsidies by natural persons include, but are not limited to:

 1.1. Farmer identification number (FIN);

 1.2. Project and financial plan;

 1.3. Deposit for real estate;

 1.4. Proof of payment of municipal taxes;

 1.5. Proof of payment of property tax; and

 1.6. Confirmation by the bank for the account of the applicant.

**Article 21**

**Subsidies for health and social welfare**

1. The municipality allocates subsidies to resident residents to cover recovery costs according to the criteria set by the responsible health department.

2. Subsidies for health are provided for:

 1.1. Heavy health cases;

 1.2. Cases of chronic illnesses but without source of income;

 1.3. Treatment abroad;

 1.4. Public health awareness campaigns;

 1.5. Social Welfare.

3. In allocating subsidies to healthcare, on equal terms, the municipality gives priority to the following specific cases:

 1.1. Number of family members;

 1.2. Housing issue;

 1.3. Cost of treatment;

 1.4. Family economic situation;

 1.5. Treatment in private institutions (if such a disease cannot be treated in public institutions).

4. Documents to be submitted during the application for the subdivision of health subsidies by natural persons include, but are not limited to:

 1.1 Specialist physician diagnosis;

 1.2 Identification document;

 1.3 Confirmation by the bank of the applicant's bank account;

 1.4 Proof of medical expenses;

5. The persons for the subsidies specified in paragraph 2 of this Article may be separated without public notice but with a justified request.

**Article 22**

**Subsidies for culture, youth and sports**

1. The municipality may allocate subsidies for culture, youth and sports, including but not limited to:

 1.1. Sports clubs;

 1.2. Distinguished sportsmen;

 1.3. Sports competitions;

 1.4. Amateur societies (ensembles);

 1.5. Amateur theaters;

 1.6. Festivals;

 1.7. Publishing of books;

 1.8. Photographic exhibitions;

 1.9. Activities with competing characters;

 1:10. Participation in festivals outside the municipality;

 1:11. Promotion of books;

 1:12. Promotion of young talents;

 1:13. Activities, cultural, youth and sports organized by Directorate for Culture, Youth and Sport; (DCYS)

 1:14. LYAC; and

 1:15. Youth Center.

2. During the allocation of subsidies, under equal conditions, the Municipality gives priority to the following specific cases:

 1.1. Projects that have provided co-financing from third parties by value;

 1.2. Projects that may generate financial revenues for the subsidy applicant, in order to ensure the sustainability of the project for the forthcoming period; and

 1.3. Applicants who have not previously received subsidies from the municipality and during the same fiscal year have not been beneficiaries of a subsidy for culture, youth, sports shared by the central government or any other donor.

3. Documents to be submitted during the application for subdivision of subsidies include but are not limited to:

 1.1. Project proposal;

 1.2. Application;

 1.3. Identification document;

 1.4. Residence certificate (for physical persons);

 1.5. Registration Certificate (for legal entities);

 1.6. Proof of payment of municipal taxes;

 1.7. Proof of payment of property tax (for physical persons);

 1.8. Evidence that there are no obligations to TAK (for legal entities);

 1.9. Confirmation by the bank of the applicant's bank account.

**Article 23**

**Reverse Reports from Beneficiaries of Subsidies**

1. Beneficiaries of subsidies separated by the Municipality are obliged to submit to the Municipality a financial and narrative report;

2. Beneficiaries of subsidies are obliged to submit to the municipality, after receiving the subsidy, the report with all the financial expenses as requested by the project proposal. The report must bear all the documented costs (bank reports, regular bills, signatures of participants, etc.);

3. Beneficiaries of subsidies are obliged to submit a narrative report after receiving subsidies, which must have all the data of the activities that have been carried out during the implementation of the project;

4. The reporting period shall be 15 working days after the expiry of the time limit specified in the agreement between the benefiting party and the municipality or the decision of the Mayor;

5. Reports from paragraph 1 of this Article shall be filed, and a copy shall be submitted to the municipal archive.

**Article 24**

**Monitoring subsidy beneficiaries**

1. The Municipality has the right to initiate the audit of the beneficiaries on the manner of spending the funds allocated from the municipality in the form of subsidies;

2. The municipality may monitor the beneficiaries of subsidies, with special emphasis on beneficiaries in the field of agriculture and economic development, in relation to the fair use and the decision or arrangement of funds allocated in the form of subsidies;

3. The monitoring under paragraph 2 may take place in a period of time of up to 3 years from the date of receiving the subsidy.

**Article 25**

**Transparency in the allocation of subsidies**

1. The municipality shall publish the final list of subsidy beneficiaries within 5 business days after the decision on subdivision of subsidies by the Mayor.

2. The final beneficiary list should contain: the name of the beneficiary, the case, the area for which the subsidy is awarded and the amounts allocated to them.

3. Exceptionally from paragraph 1 of this Article, the municipality does not publish subsidies for the cases specified in paragraphs 2.1, 2.2, 2.3, of Article 21.

4. Publication of decisions and beneficiaries from the allocation of subsidies is done on the municipal website, in the announcement boards and in the places frequented in the territory of the Municipality.

**Article 26**

**Transitional and repeal provisions**

1. The division of subsidies started before the entry into force of this regulation continues with the existing regulation, regardless of whether this regulation enters into force.

**Article 27**

**Entry into force**

This regulation enters into force 15 working days after registration in the ministry's office responsible for local self-government and after publication in official languages on the municipal website.

 **The Chairperson of the Assembly,**

 **Muharrem Krasniqi**

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**Data: 31.10.2018**