

Capital: Pristina
Population: 1.9 million (Estimated, 2002)
Population Below National Poverty Line: 50.3%
GDP (current Euros): E 1.279 billion (2002)
Population in extreme poverty : 12%
GDP per capita (current Euros): E 684 (2002)
GDP per capita (purchasing power parity): N/A
Religion: Muslim, Serb Orthodox, Roman Catholic, and others
Languages: 88% Albanian, 6% Serbian
President: Ibrahim Rugova
Prime Minister: Bajram Rexhepi
Government: Kosovo is administered by United Nations Interim Administration Mission in Kosovo (UNMIK), Special Representative of the Secretary General (SRSG), Harri Holkeri, in cooperation with the local Provisional Institutions of Self-Government established in 2002.



National Interest: Kosovo's democratic and economic development is important to U.S. national security and foreign policy interests. The U.S. Government is committed to support U.N. Security Council Resolution 1244, which calls for "substantial autonomy and meaningful self-determination for Kosovo." Within this mandate, the U.S. interest is to aid in the establishment of the rule of law and a democratic society and the creation of a vibrant free-market economy. Kosovo has been under the management of UNMIK since 1999. There are 2,000 U.S. troops in Kosovo as part of NATO's Kosovo Force (KFOR).

OVERVIEW OF USAID'S FOCUS IN KOSOVO

FY04: Total AEEB - \$79 million, USAID Managed - \$31.066 million
 FY 03: Total AEEB - \$85 million, USAID Managed - \$33.324 million

Economic Policy and Institutions (FY 04: \$7.05 million, 23%): Provides assistance to improve the institutional, policy, and legal environment for productive investment, with a focus on building the capacity of the Provisional Institutions of Self-Government. Support is provided in the areas of fiscal and financial institution building, completing a comprehensive body of commercial legislation, completing privatization of socially-owned enterprises, and promoting Kosovo's integration into regional trade.

Private Enterprise Growth (FY 04: \$4.75 million, 15%): USAID programs support the development and expansion of competitive private sector enterprises and promote SME growth in local and regional market share. Work is directed at improving the competitiveness of Kosovo's SME sector and specifically targets the agriculture/agribusiness sector. Support will be provided to assist the private sector to become an effective advocate for the creation of a positive regulatory environment for business.

Democratic Institutions (FY 04 \$6.1 million, 20%): Assistance is directed toward support for Kosovo's transformation to self-government by strengthening recently-created democratic institutions and helping Kosovars take complete ownership of these bodies. The focus of support includes the creation of a truly representative electoral system, responsive political parties, a legislature that exercises effective oversight, an independent judiciary staffed by competent legal professionals, efficient court administration, and increased access to justice for all Kosovars.

Civil Society and Government Partnerships (FY 04 \$7.25 million, 23%): USAID support is aimed at developing and strengthening the relationships between civil society and local governments so that they act as partners in furthering democratic processes. At the citizen level, civic organizations are strengthened through programs that improve their ability to advocate for policy changes. Assistance to local governments will ensure that they are fulfilling their key functions effectively and that local government operations are transparent and accountable to their citizens. Work is also focused on creating a viable independent media.

Special Initiatives and Cross-Cutting Programs (FY 04 \$5.916 million, 19%): Special initiatives are implemented in the areas of health, anti-trafficking and energy. Cross-cutting programs include a women's leadership training activity and a participant training project.

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