

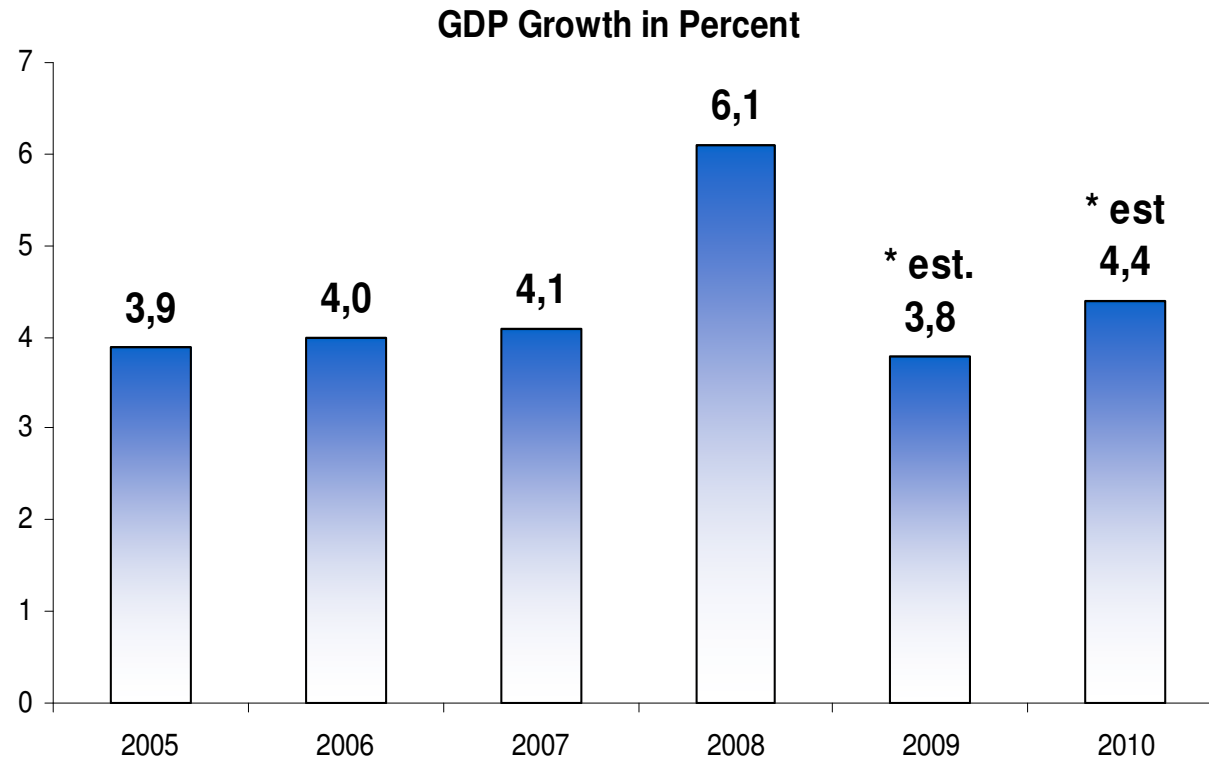
# INVESTING IN KOSOVO

**Kujtim Dobruna**  
President of ECIKS  
Head of IPAK-Vienna

- Independence as stabilizing factor
- EULEX increasing rule of law
- ISG: “Kosovo has made substantial progress and is on the road towards EU”, (Feb 27, 2009)
- German FM Steinmeier: “I am positively impressed with the Kosovo developments”, (March 13, 2009)

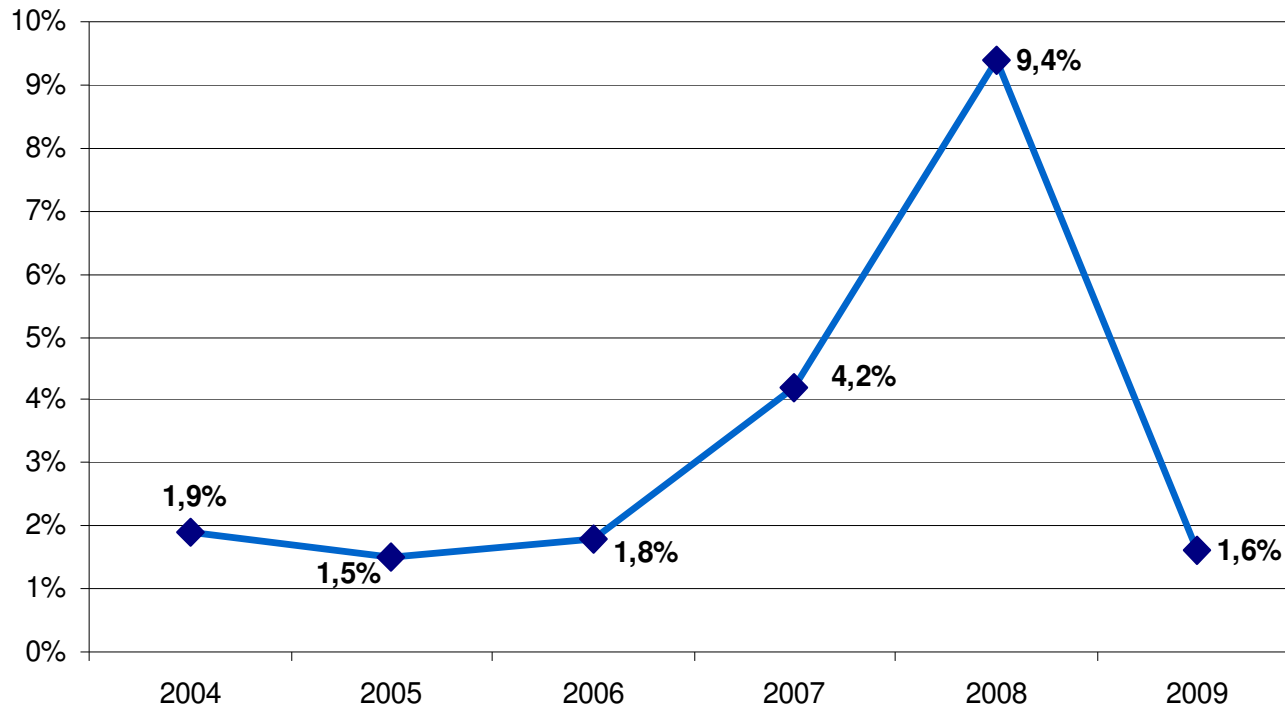


# GDP GROWTH 2005 – 2010\*

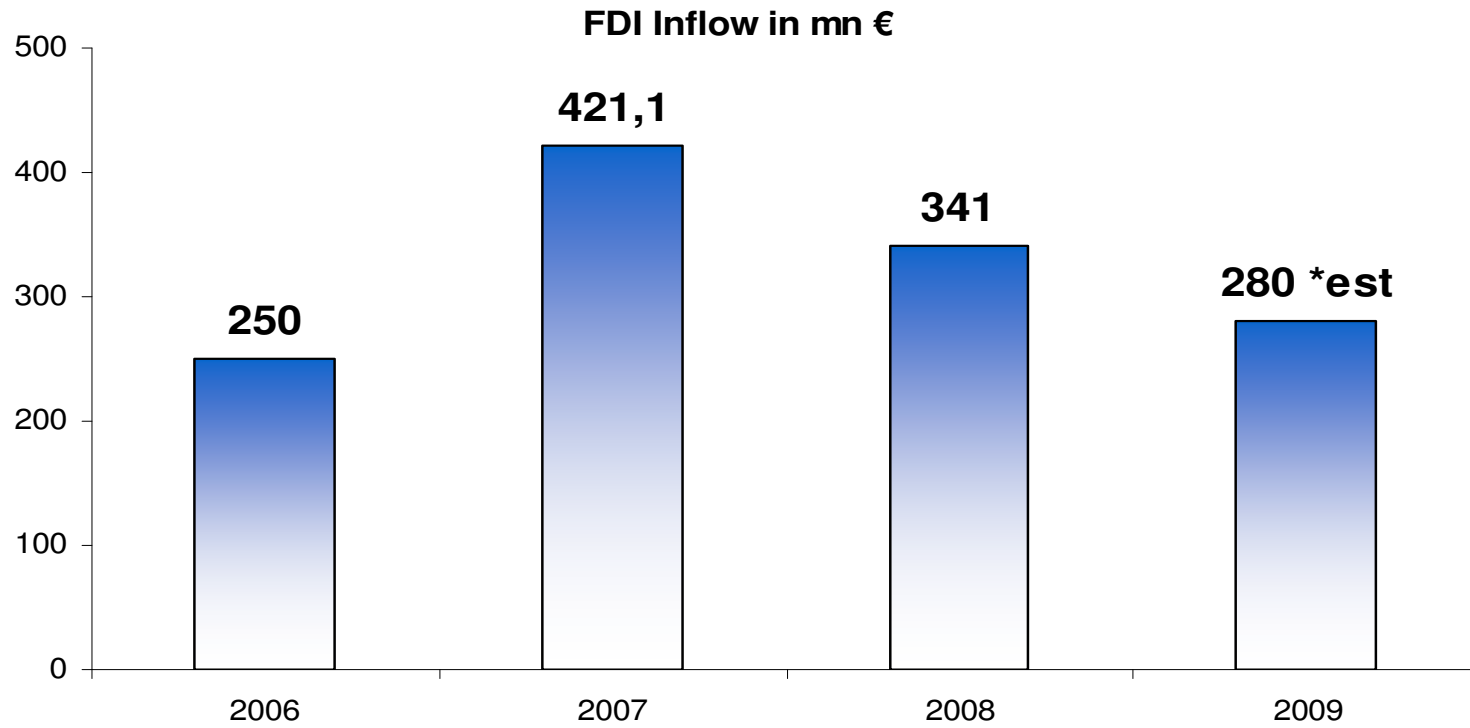


## INFLATION RATE 2004 - 2009

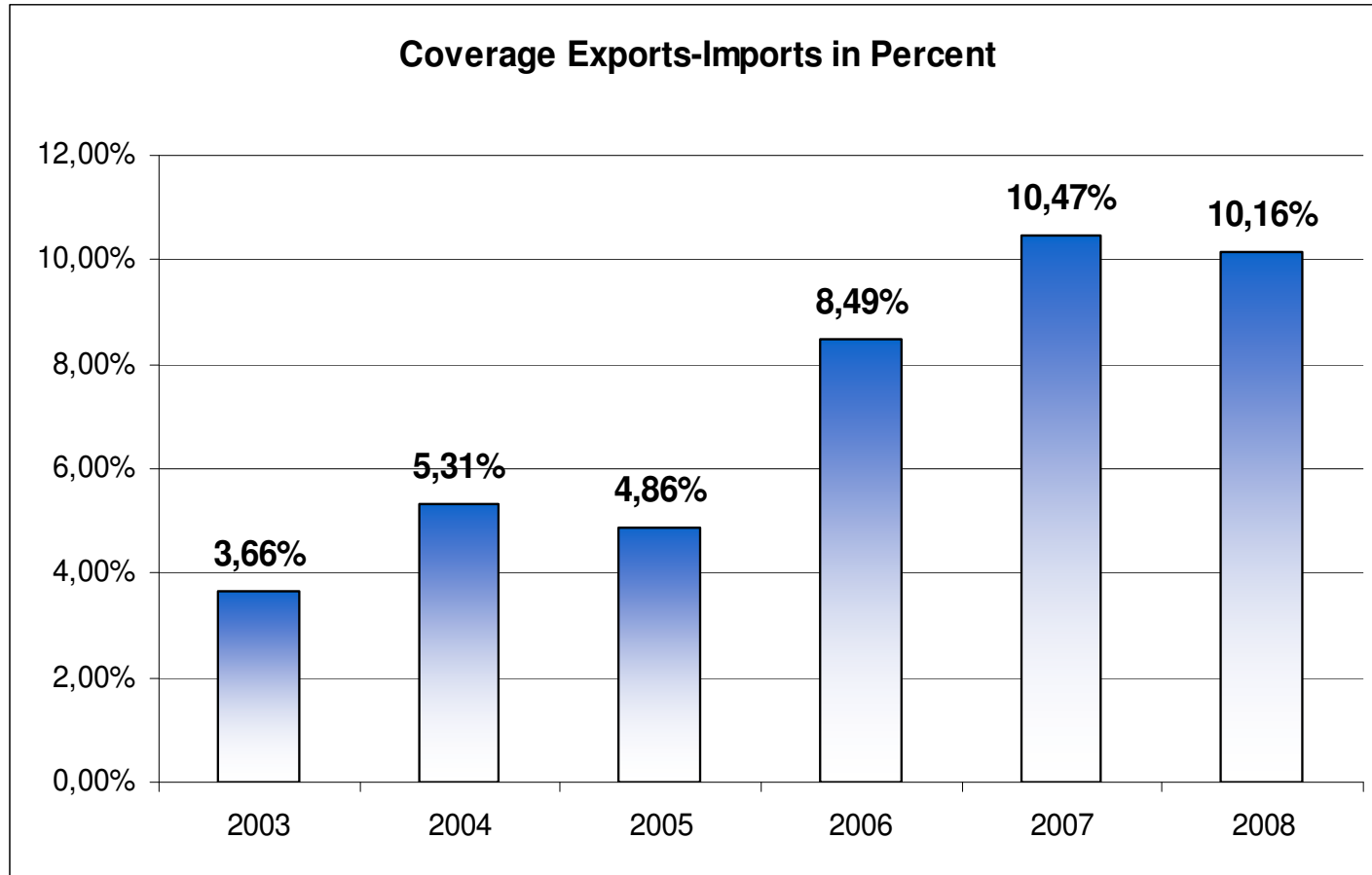
Inflation Rate in Percent



# FDI INFLOWS 2006 – 2009\*

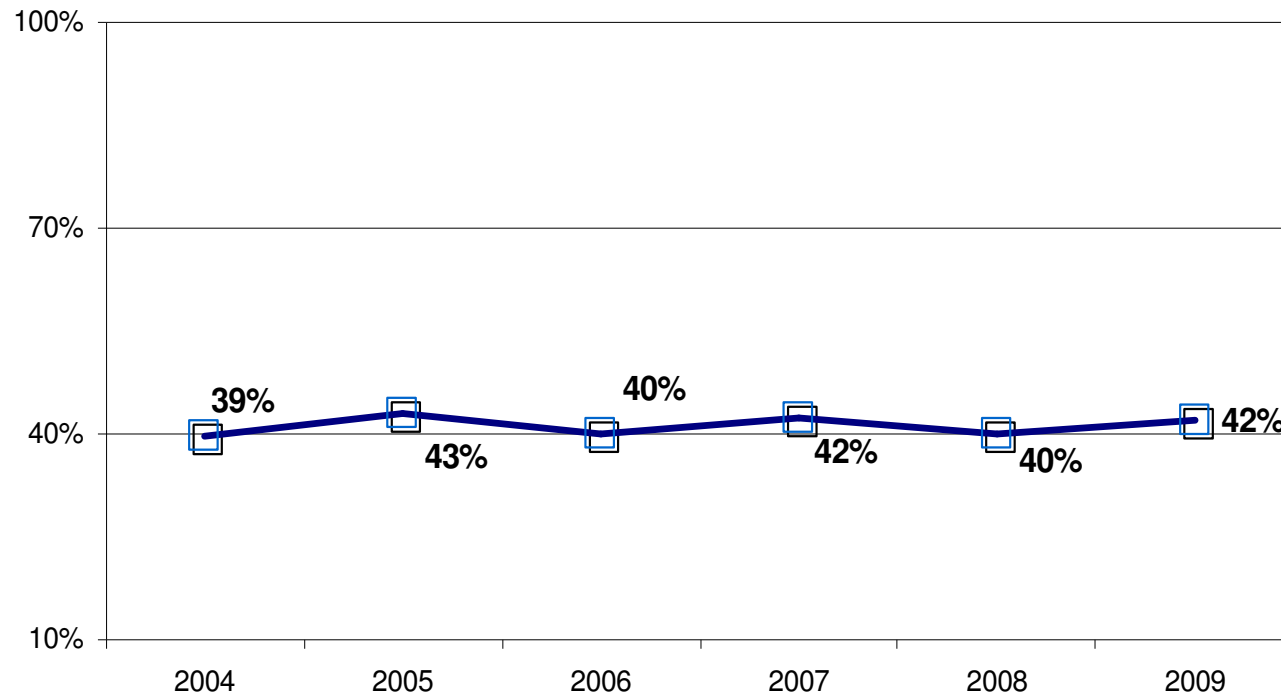


## FOREIGN TRADE



## UNEMPLOYMENT

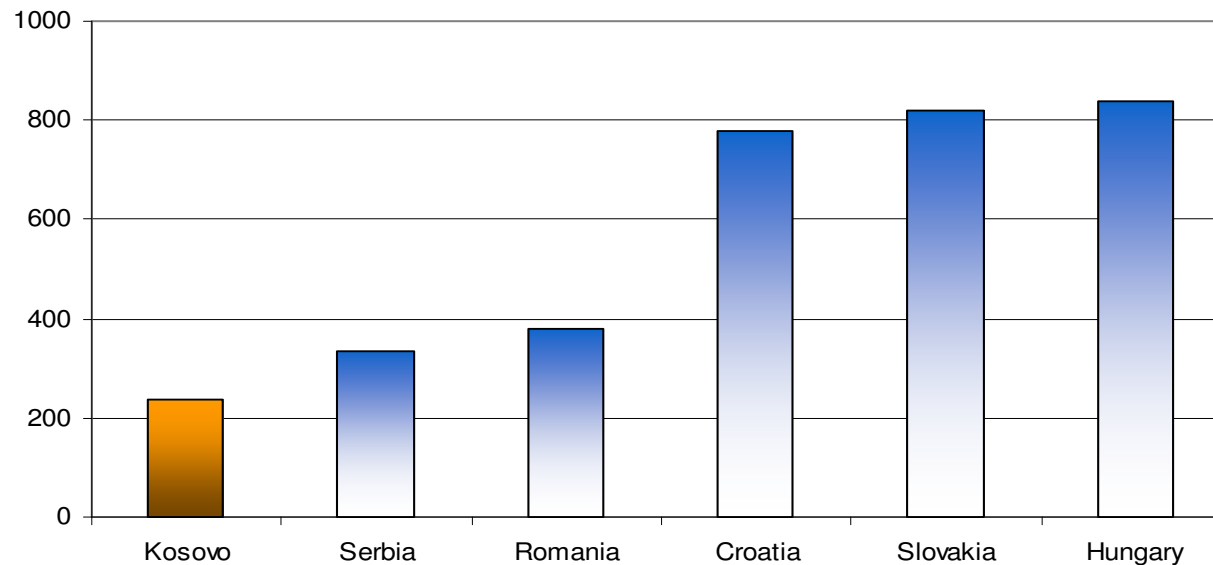
Unemployment



- Euro - official currency
- EU-compatible legal framework
- Equal treatment of foreign investors
- Stable banking system



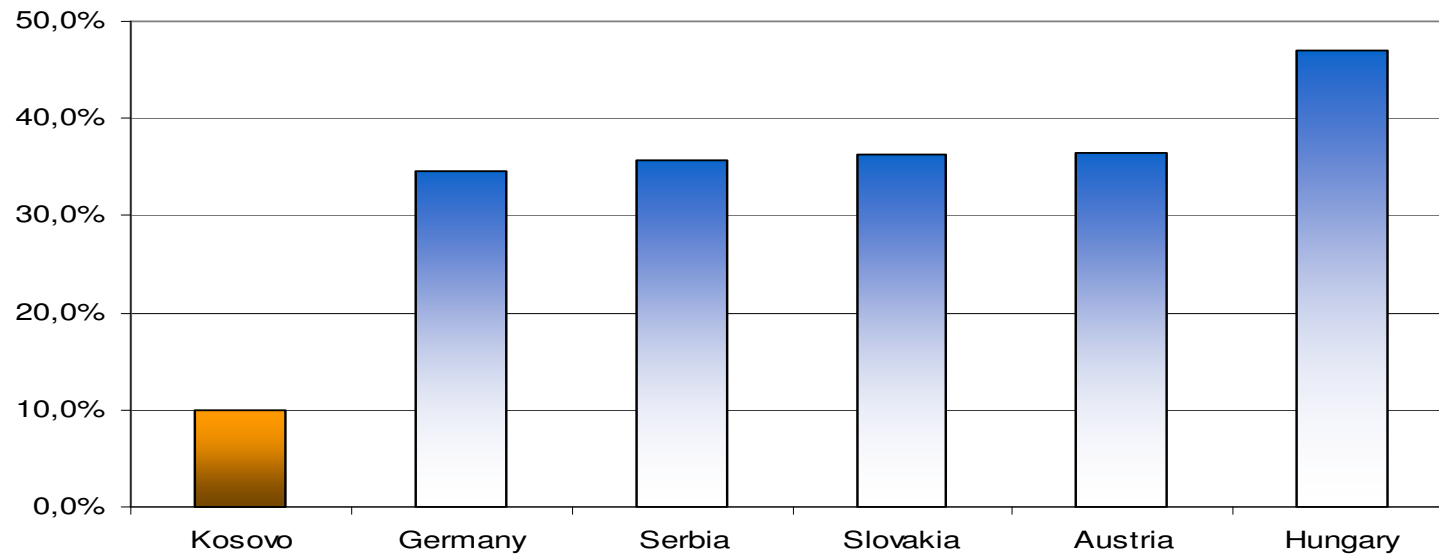
- Youngest population in Europe
- Motivated, skilled and multilingual work force

**Labour costs in EUR**

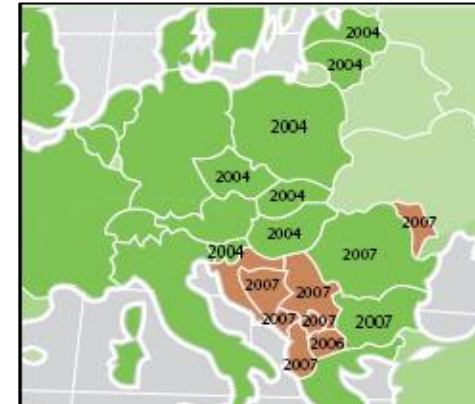
## LOW TAX BURDEN ON SALARIES

- Progressive Income Tax 0-10%
- Only 4 % Income Tax for Average Salary

Contribution rates as % of salary



- CEFTA 2007
- Preferential trade agreement with EU
- Preferential trade agreement with US
- Tax reform:
  - > Corporate income tax, flat 10 %
  - > Progressive Income Tax 0-10 %
  - > VAT 16 %



- Thermal Energy
  - 2nd largest coal reserves in Europe
  - Kosova e Re: ~€3.5bn (4 comp. qualified)
  - Kosovo A & B
  
- Hydropower plants
  - 18 Greenfield Licences expected
  - 6 existing
  - Zhur HPP ~300 MW
  
- Alternative Energy
  - Wind, Solar, Biomass



Photo: Kastriot (Obilic) Coal Mine



- Residential Construction
  - Apartments
  - Housing
- Infrastructure
  - Highways
  - Motorways
  - Railways
- Industry
  - Touristic capacities (hotels)
  - Industrial capacities





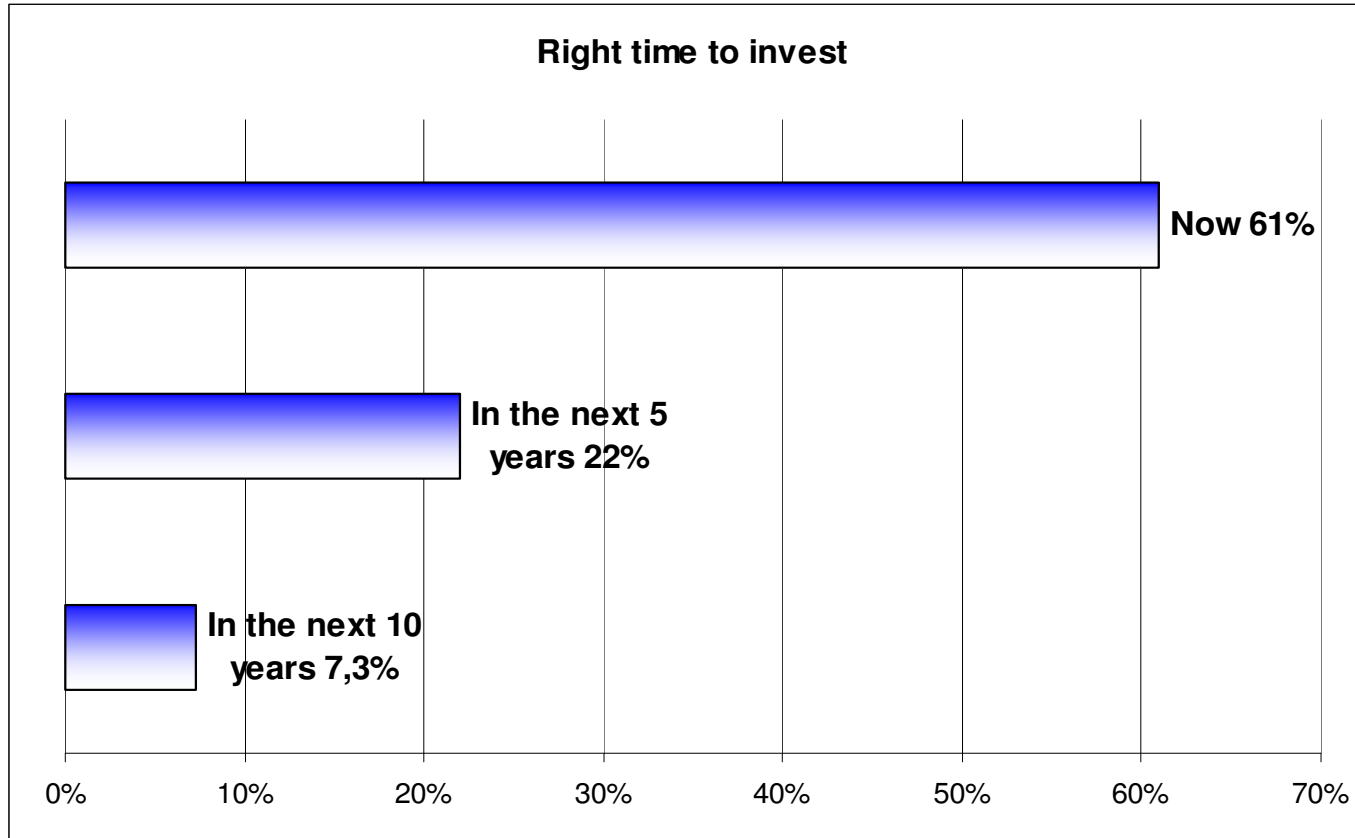
- TOP FIVE OBSTACLES

1. Infrastructure
2. Political Issues
3. Legal Issues
4. Business Environment
5. Lack of Information

- TOP FIVE REASONS

1. Market Access
2. Labour Costs
3. Labour Availability
4. Low Taxes
5. Access to natural resources

## RESULTS OF INVESTORS' SURVEY IN AUSTRIA



**THANK YOU FOR YOUR ATTENTION!**