



Non-governmental Organization Emancipimi Civil Ma Ndryshe
EC MA NDRYSHE

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PRESS RELEASE

Prizren Municipality to increase activities for debts collection

As part of a project for monitoring the transparency of Prizren's municipal executive, EC Ma Ndryshe during December has looked at the issue of the collection of planned own source revenues for the year 2013.

The monitoring at this case in point has proved that Prizren Municipality has continued this year as well to face the same challenges as the last year, issues that were identified in the Audit Report on the Financial Statements for the year ended 2012. (http://www.oag-rks.org/repository/docs/RaportiAuditimit_KPZ_2012_Eng_36581.pdf).

Clarifications from the Directorate of Economy and Finance (DEF) were sought on all these issues and in the provided response it is said that revenue trends are increasing hence, the advices offered from the private operators have been effective.

Based on the report of the Directorate of Economy and Finance (DEF), the Municipality of Prizren in 2013 has planned to collect 6,120,000 EUR and by the end of November of this year there are collected 3,523,000 EUR, that is 2,597,000 EUR less than the amount foreseen. Expressed in percentage the execution of own source revenues was 57.5% during these months.

The percentage of collected business activity fees is only 24% since, from the 745,000 EUR planned revenues, only around 180,000 EUR have been collected.

In the category of construction licenses from 1,050,000 EUR planned only 387,000 EUR were collected or around 36.8%.

The revenues collected from leased properties are 217,500 EUR from 540,000 EUR of planned revenues or only 40%.

Next, the revenues executed from the property tax are 1,270,000 EUR from 1,370,000 EUR of planned property tax revenues or close to 93%. Nevertheless, as the Auditor had identified in this category of revenues, there is no proper recording system of annual revenues due to the large amount of liabilities accumulated over the years which at the end of the year 2012 reached the amount to around 5,300,000 EUR.

Herein, EC Ma Ndryshe deems that Prizren Municipality still faces numerous challenges in terms of revenue collection. As the last year, this year as well, DEF's efforts were that via the consultancy, namely through the development of researches by private operators to find solutions for increasing the collection of revenues. In 2012 and in 2013 DEF has spent 10,000 EUR for this purpose however the reports generated from researches have not been made public yet.

According to these findings, EC Ma Ndryshe considers that DEF and Prizren Municipality should enhance the transparency and communication level with citizens and businesses so that for

them to become aware that payment of the old duties towards the Municipality enables better services and the overall development of the municipality of Prizren. Otherwise, the non-realization of debts remaining from previous years, as the Auditor ascertained, has an impact in the decrease of a municipal total budget and the cancellation of many self-financed planned projects.

For the mentioned reasons EC Ma Ndryshe recommends the Municipality of Prizren:

- To begin with immediate implementation of 4 recommendations of the Auditor General in relation to actions for improving the collection of own source revenues;
- That in the shortest possible time to publicise the findings of the researches conducted by contracted operators and to arrange debates with the citizens and business representatives concerning these findings;
- To enhance its activity to increase the collection of debts accrued from previous years by creating a joint mechanism with the civil society for establishing a continuous dialogue with the citizens and the business community on the planning and better execution of the budget;

EC Ma Ndryshe's project for the transparency oversight of the executive branch will continue on publicizing monitoring findings through regular press releases and the project's website, where the findings will be posted directly by the monitors. So far, all monitoring findings, including regular press releases and other information relative to local governments of Prizren and Mamuşa/Mamushë, are being regularly published on the project's website: www.online-transparency.org.

Thank you for your cooperation,

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