

Closing the Implementation Gap: accelerating Kosovo's implementation of CEFTA and the Common Regional Market 2.0*

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Executive summary

This policy brief assesses Kosovo's implementation of the Central European Free Trade Agreement (CEFTA) and the Common Regional Market (CRM) 2.0 in the context of the EU Growth Plan for the Western Balkans. It focuses primarily on the free movement of non-food industrial goods and other trade-facilitation measures, while also considering relevant commitments on services, dispute settlement and cross-cutting trade facilitation. The analysis identifies economic opportunities from deeper regional integration, assesses implementation gaps and proposes priority actions that Kosovo can pursue nationally and through CEFTA cooperation.

Kosovo now has a stronger formal basis for participation in regional economic integration. In May 2026, Kosovo ratified CEFTA Additional Protocols 5, 6 and 7, covering trade facilitation, trade in services and dispute settlement. This removed an important domestic legal constraint. The main challenge is now implementation: ensuring that domestic institutions, procedures and technical capacities can translate these commitments into more predictable and less costly regional market access.

The economic case for stronger implementation is significant. CEFTA economies account for around 46% of Kosovo's goods exports, with regional exports concentrated in Albania and North Macedonia. In several sectors, Kosovo has demonstrated export competitiveness which has not yet translated into proportionate CEFTA market presence, indicating potential for additional regional exports. Reducing avoidable regulatory and administrative costs can help firms exploit this potential.

Implementation of CEFTA and CRM commitments remains uneven. Kosovo has made comparatively strong progress in customs digitalisation and electronic information exchange. SEED/SEED+ is integrated into customs operations, pre-arrival declarations have been introduced, simplified procedures are used by firms, and Customs and the Market Inspectorate already cooperate through risk profiles and electronic information exchange. However, these advances have not yet translated fully into regionally recognised and interoperable trade-facilitation mechanisms.

Under CRM Priority Area 1.2, the main gaps concern Kosovo's readiness for mutual recognition of conformity-assessment results and the operational capacity of market surveillance. Kosovo has established the main quality-infrastructure institutions and domestic testing and inspection capacity, but conformity-assessment coverage and international recognition remain incomplete. Progress on harmonising labelling requirements and preparing for acceptance of goods in non-harmonised sectors is also at an early stage. These domestic reforms need to advance in parallel with CEFTA-level arrangements on mutual recognition.

Non-tariff measures (NTMs) remain a particularly important practical constraint for Kosovo exporters. Stakeholder consultations identified additional documentation, testing, certification and administrative requirements in regional markets. CEFTA already provides mechanisms for reporting and addressing such barriers, but Kosovo businesses make limited use of them. The gap is therefore not the absence of a regional reporting mechanism, but limited domestic support for firms to identify, document and substantiate cases and ensure systematic follow-up through CEFTA structures.

The ratification of AP6 and AP7 creates a similar implementation challenge. Under AP6, Kosovo needs to identify remaining domestic regulatory and administrative restrictions affecting regional trade in services and professional qualifications and clarify institutional

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responsibilities for implementation. Under AP7, Kosovo needs a predictable domestic procedure for identifying potential CEFTA violations, preparing evidence and determining when cases should be pursued through formal CEFTA mechanisms.

Cross-cutting constraints also remain. Green Lane functionality is still more developed in electronic information exchange than in dedicated physical infrastructure and coordinated controls. Kosovo also remains outside the Common Transit Convention despite its existing application for observer status. At the institutional level, fragmented coordination, unclear ownership of individual CRM actions and insufficiently structured business participation weaken implementation and monitoring.

The policy priority is therefore to move from formal participation in CRM processes to operational implementation that delivers tangible benefits for businesses. The recommendations distinguish between reforms Kosovo can undertake nationally and measures that require cooperation or agreement with other CEFTA Parties. They also recognise that domestic readiness should not be delayed while regional arrangements are negotiated.

The analysis identifies the following priority actions:

General strategic actions should guide Kosovo's implementation of CRM 2.0 across the reform period. Kosovo should align CRM implementation with its broader EU Single Market integration agenda and target investment in quality infrastructure according to demonstrated regulatory gaps, requirements for recognition and sector-level export potential. It should pursue regional recognition arrangements while continuing reforms that can be completed nationally. Kosovo should also strengthen diplomatic engagement to advance its existing application for observer status under the Common Transit Convention, while assessing feasible interim arrangements for closer integration into the common transit system.

As immediate actions, Kosovo should assess and address readiness gaps for regional recognition of conformity-assessment results; advance regional recognition of its AEO programme; operationalise the National Trade Facilitation Committee as a permanent problem-solving mechanism with structured business participation; map requirements for labelling and non-harmonised goods; use CEFTA structures to promote greater transparency and harmonisation of trade-related fees and charges; strengthen domestic support for businesses to document trade barriers and pursue appropriate cases through existing CEFTA mechanisms, including AP7; and establish stronger central monitoring and clear institutional ownership of CRM commitments. These actions can largely be initiated within the next 12 months through Kosovo's own institutions, while measures requiring regional agreement are pursued through CEFTA cooperation.

Over the medium term, Kosovo should strengthen implementation of the market-surveillance framework and inspection capacity and develop a fully risk-based and digitally connected market-surveillance system. These actions should build on existing cooperation between Customs and the Market Inspectorate through more systematic information exchange, specialised staff training, stronger risk assessment and closer coordination with quality-infrastructure institutions and regional counterparts.

Implementing these recommended actions will reduce unnecessary non-tariff barriers to trade, improve regional market access and help Kosovo firms use the CRM as a stepping stone towards deeper integration into the regional value chain and the EU Single Market.

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List of abbreviations

Acronym	Signification
ACAA	Agreement on Conformity Assessment and Acceptance of Industrial Products
CEFTA	Central European Free Trade Agreement
EA	European Co-operation for Accreditation
EU	European Union
GDP	Gross domestic product
HS	Harmonised System
KAD	Kosovo Accreditation Directory
KSA	Kosovo Standardisation Agency
MLA (EA)	Multilateral agreement
MIETI	Ministry of Industry, Entrepreneurship, Trade and Innovation
QI	Quality infrastructure
SEED+	Systematic Exchange of Electronic Data of Unsafe/Noncompliant Products Detected on the CEFTA Market
SME	Small and Medium-sized Enterprise
WB6	Western Balkans Six

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1. Introduction

1.1. Purpose and content

Regional economic integration has become increasingly important to Kosovo's economic development and EU integration agenda. Under the EU Growth Plan for the Western Balkans, deeper integration through the Common Regional Market (CRM) is intended to bring the region closer to the EU Single Market by reducing barriers to the movement of goods and services, strengthening regulatory convergence and creating a larger and more integrated market for businesses.

Against this background, this policy brief addresses the following central question: What are the key gaps and policy measures needed for Kosovo to fulfil its CEFTA and CRM 2.0 obligations and benefit from enhanced regional integration?

The brief supports the implementation of Kosovo's Reform Agenda under the EU Growth Plan, with relevance to Pillar II, which seeks to strengthen economic integration within the Western Balkans through the Common Regional Market. It also contributes to the implementation of the CRM Action Plan 2025-2028 and CEFTA commitments, while considering their relationship with Kosovo's gradual preparation for deeper integration into the EU Single Market.

This creates an important link with our earlier policy brief "Single Market Highway: accelerating the single market integration of Kosovo". While our first brief focused primarily on Kosovo's readiness for deeper integration into the EU Single Market, including through regulatory integration and future ACAA arrangements, this brief examines the regional dimension of this process.

The analysis focuses primarily on two priority areas of CRM 2.0:

- 1.2 Free Movement of Non-Food Industrial Goods
- 1.4 Other Trade Facilitation Measures.

Particular attention is given to technical regulations, standardisation, accreditation, metrology, conformity assessment, market surveillance and consumer protection. The brief also considers relevant commitments on services and professional qualifications under AP6 and dispute settlement under AP7, where these require action by Kosovo institutions.

Selected cross-cutting measures are considered where they directly affect trade in goods and services, including digitalisation and interoperability of trade procedures, institutional coordination and private-sector participation.

The brief first illustrates the economic opportunities associated with deeper regional integration, before assessing the main implementation gaps under CEFTA and CRM 2.0 and identifying priority actions to address them.

1.2. Methodology

The analysis applies a mixed-method approach, combining regulatory and institutional assessment with stakeholder evidence and quantitative trade analysis.

The methodology comprises three main components:

1. **Desk review**. The analysis reviewed the CRM Action Plan 2025–2028, relevant CEFTA Additional Protocols and Joint Committee Decisions, Kosovo's Reform Agenda, relevant domestic legislation and administrative arrangements, and available regional evidence on non-tariff measures and trade facilitation. Attention was given to CRM Priority Area 1.2 on the Free Movement of Non-Food Industrial Goods and Priority Area 1.4 on Other Trade Facilitation Measures, together with relevant implementation requirements under AP5, AP6 and AP7.
2. **Stakeholder consultations.** Interviews with relevant public institutions, regional organisations, business representatives and other stakeholders involved in CEFTA and CRM implementation were used to verify implementation status and identify practical bottlenecks. Consultations focused on institutional responsibilities, regulatory and operational constraints, coordination mechanisms, private-sector experiences and actions that Kosovo can undertake independently of further regional agreements. Stakeholder assessments were triangulated with documentary evidence wherever possible and are distinguished from formally verified implementation status.
3. **Quantitative trade analysis.** Trade data were used to assess the potential for additional exports to CEFTA countries. The analysis first examines the importance of CEFTA as an export destination for Kosovo and Kosovo's penetration of individual CEFTA markets. At sector level, UN Comtrade data for 2020–2024 were used to identify sectors in which Kosovo combines a strong revealed comparative advantage with relatively low CEFTA market penetration and strong export growth.

Evidence from the three analytical components is triangulated to determine the implementation status of Kosovo's regional commitments and to identify remaining gaps. Attention is given to measures requiring action by Kosovo's trade, quality-infrastructure, market-surveillance, consumer-protection and regulated-professions institutions, while customs and other horizontal trade-facilitation measures are considered where they directly support these areas.

2. Background and policy context

2.1. The EU Growth Plan and the Common Regional Market

The EU Growth Plan for the Western Balkans provides the broader strategic framework for accelerating the region's economic convergence with the European Union. A central premise of the Growth Plan is that gradual access to the EU Single Market, stronger regional economic integration and domestic reforms are mutually reinforcing, allowing Western Balkan economies to benefit progressively from closer economic integration ahead of EU membership.

The Growth Plan is structured around interconnected pillars. Pillar I provides opportunities for gradual integration into selected areas of the EU Single Market, while Pillar II seeks to strengthen economic integration within the Western Balkans through the Common Regional Market. Pillar III translates these objectives into country-specific Reform Agendas, while the Reform and Growth Facility provides financial incentives linked to measurable reform progress. As highlighted in the first policy brief, these dimensions are interdependent: regulatory alignment and institutional capacity are important preconditions for translating market-access opportunities into actual economic integration.

Within this architecture, the Common Regional Market performs a dual function. First, it aims to generate immediate economic benefits by reducing barriers within the Western Balkans and creating a larger regional market for businesses. Second, it provides a pathway for preparing Western Balkan economies for eventual participation in the EU Single Market. Therefore, the CRM should be understood as a mechanism for reducing regional fragmentation and preparing the Western Balkan economies for deeper integration with the EU Single Market, rather than as an alternative to it. While deeper regional integration can reduce trade costs and improve market access, the relatively small size of the Western Balkan market limits the growth that regional integration alone can generate.

The policy briefing "Single Market Highway: accelerating the single market integration of Kosovo" demonstrated that the free circulation of industrial products depends on more than legislative harmonisation: it requires a functioning ecosystem of standardisation, accreditation, metrology, conformity assessment and market surveillance. Strengthening these systems therefore contributes simultaneously to Kosovo's ability to trade within CEFTA and its longer-term readiness for integration into the EU Single Market.

Within the regional framework, CEFTA provides the principal legal and institutional mechanism for implementing many of the trade-related components of CRM 2.0. CEFTA has progressively evolved beyond tariff liberalisation to encompass trade facilitation, customs cooperation, removal of non-tariff barriers, mutual recognition, services and dispute settlement. Effective implementation of CEFTA commitments is consequently central to translating the objectives of CRM 2.0 into operational changes for businesses. Empirical evidence suggests that CEFTA has already generated significant trade and growth benefits, while the scope for further gains increasingly depends on deeper integration beyond tariff liberalisation. Vujanović (2023) finds that CEFTA has supported economic growth and regional trade, but also highlights differences in extent between the CEFTA countries.[1] Kosovo increasingly relied on CEFTA-sourced intermediate inputs in manufacturing exports. However, manufacturing competitiveness and forward integration into regional and EU value chains remain limited in regional comparison. Service exports represent an important

[1] Vujanović, N. (2023)

strength for Kosovo: fueled by (diaspora-) tourism, services accounted for 81% of total exports in 2019, the highest share among the CEFTA economies covered.

2.2. Kosovo's current commitments

Kosovo's commitments to regional trade integration derive from several interconnected frameworks: the Reform Agenda, CRM Action Plan 2025-2028, CEFTA Agreement and its Additional Protocols, and relevant CEFTA Joint Committee Decisions. Together, these establish the regulatory, institutional and administrative measures intended to facilitate regional trade and progressively align regional market conditions with EU standards.

CEFTA decision-making was affected between 2021 and 2024 by a dispute over Kosovo's representation within CEFTA. In December 2021, Kosovo opposed the adoption of pending Joint Committee documents until its request for Kosovo's institutions to represent Kosovo directly in CEFTA, rather than through UNMIK, was resolved. As consensus on the representation issue could not be reached, Joint Committee decisions and conclusions were not adopted in 2021, 2022 or 2023. The deadlock was resolved in October 2024 through a compromise under which Kosovo's institutions would represent Kosovo directly in CEFTA under the status-neutral designation "Kosovo*", rather than Kosovo being represented by UNMIK. This enabled the Joint Committee to resume decision-making and adopt a substantial package of measures. With this institutional constraint resolved, the focus has increasingly shifted towards the domestic implementation of Kosovo's CEFTA and CRM commitments.

For the purposes of this brief, the most important CRM commitments are those under Priority Area 1.2 on the Free Movement of Non-Food Industrial Goods and Priority Area 1.4 on Other Trade Facilitation Measures. Implementation involves interconnected areas including technical regulations, standardisation, accreditation, conformity assessment, market surveillance, mutual recognition, customs procedures and digital information exchange.

CEFTA Additional Protocol 5 (AP5) on Trade Facilitation provides an important framework for simplifying customs procedures and formalities and strengthening cooperation between authorities involved in the movement of goods. Its implementation is particularly relevant to electronic information exchange, risk management, transparency and simplification of import and export procedures.

Additional Protocol 6 (AP6) on Trade in Services is also relevant to Kosovo's implementation agenda, particularly in relation to the right of establishment, freedom to provide services and professional qualifications. These areas are closely linked to Kosovo's broader EU approximation process and to CRM measures aimed at facilitating the regional provision of services. For the purposes of this brief, AP6 is considered selectively, with attention to implementation gaps requiring action by MIETI and the institutions responsible for regulated professions, as well as to supporting services that affect trade in industrial goods, including professional and technical services.

Additional Protocol 7 (AP7) on Dispute Settlement provides the framework for addressing disputes concerning the interpretation and application of CEFTA obligations. Its importance extends beyond individual disputes: an effective and predictable dispute-settlement mechanism contributes to greater legal certainty and confidence in regional trade rules.

Ratification of the Additional Protocols had itself been delayed. In the case of AP5, Kosovo's Economic Reform Programme explicitly linked the lack of ratification to the unresolved issue of Kosovo's representation in CEFTA. Following the resolution of the representation dispute in

October 2024, Kosovo's Assembly ratified AP5, AP6 and AP7 in May 2026. This removed an outstanding domestic legal prerequisite for their full implementation and shifted the focus from formal ratification towards effective implementation of the obligations arising under the three protocols.

The protocols should not be considered in isolation. Relevant CEFTA Joint Committee Decisions and other implementing decisions translate broader commitments into operational requirements, including in areas such as mutual recognition, AEOs, customs cooperation, electronic data exchange and removal of non-tariff barriers. The analysis therefore considers these decisions alongside CRM commitments and Additional Protocols when assessing Kosovo's implementation status.

Conclusion 1: Overall, after the adoption of additional CEFTA protocols, Kosovo has a stronger formal basis for participating in CEFTA and CRM 2.0. The key challenge is now to translate these commitments into effective domestic implementation and practical improvements in regional market access.

3. Defining the policy challenge

Kosovo has established the main legal and institutional foundations for CRM implementation, but important gaps remain in conformity-assessment capacity, sectoral coverage, international recognition, technical capacity and institutional coordination. Under CRM Priority Area 1.2, these gaps affect Kosovo's readiness to participate in regional recognition arrangements.

These implementation challenges concern institutions that are central to both CRM implementation and Kosovo's alignment with the EU acquis. MIETI and its structures for trade, consumer protection and quality infrastructure, together with the institutions responsible for accreditation, standardisation, metrology and market surveillance, have a direct role in translating regional commitments into functioning domestic systems. The Ministry of Education and Science also has an implementation role in relation to regulated professions under the regional services agenda.

This analysis identifies six main implementation challenges:

- Incomplete implementation. The analysis therefore distinguishes between measures that are completed, partially implemented and pending.
- Institutional coordination. Several CRM commitments require coordinated action across trade, quality infrastructure, market surveillance, consumer protection and other competent authorities. Fragmented responsibilities can delay implementation and make it difficult to assign ownership and monitor progress.
- Operational and technical capacity. Staffing, specialised expertise, conformity-assessment capacity, laboratory infrastructure and international recognition continue to affect Kosovo's ability to implement regional arrangements effectively.
- Administrative procedures and information exchange. Effective trade facilitation increasingly depends on interoperable digital systems, risk-based controls and timely exchange of information between competent authorities. The relevant question is therefore not only whether systems exist, but whether they are consistently used and connected across institutions and CEFTA Parties.

- Business participation and identification of trade barriers. Businesses are often best positioned to identify duplicate requirements, certification problems, administrative burdens and other non-tariff measures. Existing mechanisms need to be easier for firms to use and supported by stronger institutional follow-up, so that practical problems encountered by exporters can inform implementation.
- Dependence on regional action. Some commitments, particularly mutual recognition and other CEFTA-wide arrangements, cannot be implemented by Kosovo alone. It is therefore important to distinguish between actions Kosovo can undertake nationally, measures requiring bilateral or technical cooperation, and those dependent on CEFTA-wide agreement and implementation.

From the perspective of businesses, the ultimate test of CRM implementation is whether it reduces the cost, time and uncertainty of accessing regional markets. Testing and certification requirements, duplicated procedures, access to information, regulatory predictability and administrative costs can determine whether formal commitments translate into meaningful market access.

This distinction also helps identify quick wins. Kosovo does not need to wait for every regional arrangement to be completed before strengthening its own implementation readiness. Improvements in domestic quality infrastructure, market surveillance, institutional coordination, business support and regulatory procedures can reduce costs for firms while preparing Kosovo to benefit from future regional recognition arrangements.

Conclusion 2: Kosovo should prioritise implementation gaps it can address nationally, while actively pursuing regional solutions where progress depends on other CEFTA Parties.

4. Economic opportunities from deeper regional integration

This chapter examines why closing remaining implementation gaps under CEFTA and CRM 2.0 matters for Kosovo's economic integration and firm competitiveness. It first assesses the potential for Kosovo to expand exports within the region and identifies sectors where existing export strengths have not yet translated into a strong CEFTA market presence. It then considers how deeper regional integration can support firms' integration into EU value chains and reduce regulatory and administrative transaction costs, before examining the remaining cross-cutting constraints to trade facilitation. Together, these elements provide the economic rationale for prioritising implementation reforms that can improve market access, lower the costs of cross-border trade and strengthen the competitiveness of Kosovo firms.

4.1. Kosovo's potential to increase exports to the region

The quantitative analysis is used as supporting rather than causal evidence. Low CEFTA market penetration cannot be attributed solely to regulatory or trade-facilitation barriers, as production capacity, firm characteristics, logistics, demand and competition also influence trade performance. The analysis therefore uses trade indicators to assess the economic relevance of the regulatory and institutional gaps, rather than to estimate the direct impact of individual barriers on exports.

CEFTA remains a particularly important market for Kosovo's goods exports. In 2025, CEFTA economies accounted for around 46% of Kosovo's total goods exports[2]. At the same time, Kosovo's position as a supplier within individual CEFTA markets remains uneven. Kosovo accounted for around 27% of Albania's intra-CEFTA imports, 8.9% of North Macedonia's, 3.7% of Montenegro's, 3.1% of Serbia's, 0.8% of Bosnia and Herzegovina's and 0.24% of Moldova's imports in 2025[3][4]. As these figures show, Kosovo's exports to the region are strongly concentrated in Albania and North Macedonia. Kosovo's market presence in other neighbouring countries remains relatively limited. This finding points to the importance of looking beyond aggregate CEFTA trade and examining the factors that may constrain Kosovo exporters' access to individual regional markets, including regulatory and administrative barriers.

The subsequent sector-level analysis provides a more detailed picture of where further regional export potential may exist. Using trade data for 2020-2024 at HS6 level, mapped to ISIC Rev. 4, the analysis combines three complementary indicators: revealed comparative advantage (RCA), Kosovo's share of CEFTA imports, and cumulative export growth. The sectors with the highest average RCA over 2020–2024 were selected for presentation. CEFTA market share measures Kosovo's exports to CEFTA economies in each sector relative to total CEFTA imports in that sector, while cumulative export growth measures the change in Kosovo's exports between 2020 and 2024. Together, these indicators are used to identify sectors where Kosovo demonstrates sustained export strength, but has so far not been able to sufficiently translate this competitive advantage into CEFTA market presence.

The results are considered alongside an earlier trade-complementarity analysis from the German Economic Team, which estimated Kosovo's potential for additional exports to the WB6 at around USD 83 million[5]. While the methodologies differ, the earlier GET findings provide a useful complementary benchmark for assessing sectors where Kosovo may have further regional export potential.

Table 1. Kosovo's selected non-food manufacturing sectors with revealed comparative advantage: regional market position and export dynamics, 2020-2024

ISIC Rev. 4	Sector	Average RCA	Average CEFTA market share	Export growth
3100	Manufacture of furniture	15.95	1.26%	+154%
1623	Manufacture of wooden containers	12.54	3.03%	+20%
2511	Manufacture of structural metal products	10.60	1.28%	+157%
2395	Manufacture of articles of concrete, cement and plaster	6.82	2.95%	+156%

[2] Central Bank of Kosovo (2026).

[3] CEFTA Secretariat (2026a).

[4] Central Bank of Kosovo (2026).

[5] German Economic Team (2023).

2410	Manufacture of basic iron and steel	6.00	2.27%	−37%
2220	Manufacture of plastic products	5.47	0.90%	+91%
2396	Cutting, shaping and finishing of stone	5.19	1.82%	+62%
2512	Manufacture of tanks, reservoirs and containers of metal	4.30	1.28%	+25%
1622	Manufacture of builders' carpentry and joinery	3.92	0.36%	−32%
2022	Manufacture of paints, varnishes and similar coatings	3.42	0.64%	+95%
2392	Manufacture of clay building materials	3.17	0.75%	+246%
2599	Manufacture of other fabricated metal products n.e.c.	2.40	0.70%	+210%

Source: Own calculations based on Kosovo Customs (2025), UN Comtrade (2025)
Note: Kosovo export and import data at HS6 level, including partner-country information, are drawn from Kosovo Customs. CEFTA import data used to calculate Kosovo's share in CEFTA imports are based on imports reported by CEFTA economies in UN Comtrade. Revealed Comparative Advantage (RCA) is calculated using the Balassa index, which compares a sector's share in Kosovo's total exports with the same sector's share in world exports. An RCA above 1 indicates that Kosovo is relatively specialised in exporting that sector. Average CEFTA market share is calculated as Kosovo's exports to CEFTA economies in a given sector divided by total CEFTA imports in the same sector, averaged over 2020–2024. Export growth represents the cumulative percentage change in Kosovo's exports between 2020 and 2024.

The results point to further regional export opportunities in several sectors where Kosovo already demonstrates export strength but has limited CEFTA market penetration. This is broadly consistent with the earlier GET trade-complementarity analysis, which identified additional Kosovo export potential particularly in machinery, metals, chemicals and plastics, and agro-food products. Taken together, the two analyses indicate that several sectors with demonstrated export capabilities may have further scope for regional expansion, with reductions in avoidable regulatory and trade-related costs potentially supporting this process. These results should be treated as indicative rather than causal evidence. Low CEFTA market penetration cannot be attributed solely to regulatory or trade-facilitation barriers, as production capacity, firm characteristics, logistics, demand and competition also influence trade performance.

While the preceding analysis focuses on non-food manufacturing sectors, consistent with the sectors examined in the first policy brief, the broader sectoral results show that the potential benefits of deeper CRM integration extend beyond these industries. Several food and agriculture-related sectors also demonstrate revealed comparative advantage and an established presence in CEFTA markets (see table 2). Their inclusion is particularly relevant because stakeholder interviews

consistently identified food and agricultural products as among those most exposed to non-tariff measures in regional trade, including additional documentation, testing and sanitary and phytosanitary requirements. Table 2 therefore broadens the analysis to illustrate potential opportunities in food, agriculture, and other sectors beyond the non-food manufacturing sectors considered above.

Table 2. Kosovo's selected other sectors with revealed comparative advantage: regional market position and export dynamics, 2020-2024

ISIC Rev. 4	Sector	Average RCA	Average CEFTA Market Share %	Export Growth
0729	Mining of other non-ferrous metal ores	12.72	4.62%	-16%
1104	Manufacture of soft drinks; production of mineral waters and other bottled waters	10.52	5.42%	+207%
1103	Manufacture of malt liquors and malt	8.02	6.82%	+45%
0128	Growing of spices, aromatic, drug and pharmaceutical crops	6.91	1.79%	+10%
0125	Growing of other tree and bush fruits and nuts	4.25	1.98%	-22%
1030	Processing and preserving of fruit and vegetables	3.00	1.64%	+63%
0810	Quarrying of stone, sand and clay	3.00	0.08%	+27%
1010	Processing and preserving of meat	2.27	0.81%	+145%
1040	Manufacture of vegetable and animal oils and fats	1.77	0.78%	+377%
0113	Growing of vegetables and melons, roots and tubers	1.73	0.91%	+59%
1102	Manufacture of wines	1.66	2.52%	+19%

Source: Own calculations based on Kosovo Customs (2025), UN Comtrade (2025)

Note: Kosovo export and import data at HS6 level, including partner-country information, are drawn from Kosovo Customs. CEFTA import data used to calculate Kosovo's share in CEFTA imports are based on imports reported by CEFTA economies in UN Comtrade. Revealed Comparative Advantage (RCA) is calculated using the Balassa index, which compares a sector's share in Kosovo's total exports with the same sector's share in world exports. An RCA above 1 indicates that Kosovo is relatively specialised in exporting that sector. Average CEFTA market share is calculated as

Kosovo's exports to CEFTA economies in a given sector divided by total CEFTA imports in the same sector, averaged over 2020–2024. Export growth represents the cumulative percentage change in Kosovo's exports between 2020 and 2024.

Conclusion 3: Kosovo demonstrates export strengths across both non-food manufacturing and other sectors, including food and agriculture, with further scope to expand its presence in CEFTA markets. Reducing avoidable regulatory, conformity-assessment and administrative barriers could help translate these existing export capabilities into stronger regional market access.

4.2. Link with EU value-chain integration

The sectoral results also reinforce the analysis undertaken in the first policy brief. Nine of the ten sectors identified in the first brief as having the highest potential for integration into EU value chains record an average RCA above one in the present analysis.

Several of these sectors simultaneously display comparative advantage, positive export growth and relatively low penetration of the CEFTA market. Structural metal products, clay building materials, plastics, fabricated metal products and glass are particularly notable. This suggests that regional integration and EU value-chain integration should not be treated as separate policy agendas. Rather, deeper participation in the CEFTA market can provide Kosovo firms with opportunities to expand production, develop cross-border supplier relationships and strengthen their capacity to meet the requirements of larger EU markets.

This connection is particularly relevant to CRM Priority Area 1.2 and to Kosovo's quality-infrastructure institutions. Several of Kosovo's more competitive and expanding sectors, particularly structural metal products, construction materials, plastics and glass, face significant technical product requirements. Strengthening Kosovo's quality infrastructure and advancing the recognition of conformity-assessment results can reduce the regulatory and compliance costs faced by Kosovo exporters and improve market access in sectors for which Kosovo already demonstrates export potential.

Conclusion 4: The sector evidence reinforces the complementarity between regional and EU market integration: several of Kosovo's competitive sectors face significant technical product requirements. Strengthening Kosovo's quality infrastructure can therefore support both greater regional market access and firms' longer-term integration into EU value chains.

4.3. Transaction costs and firm competitiveness

Where conformity-assessment results are not recognised, firms may face repeated testing, certification or documentary procedures. Differences in technical or labelling requirements may require products and documentation to be adapted for individual markets, while insufficient coordination between customs and inspection authorities can generate additional transport, storage and administrative costs.

CEFTA-wide evidence shows that these are practical concerns.[6] Businesses across the region have reported double scanning and related charges, additional laboratory requirements, non-recognition of accredited laboratory reports, and delays associated with inspections and laboratory testing. These examples illustrate how formally open regional markets can continue to generate additional transaction costs where recognition and implementation mechanisms remain incomplete.

[6] Berlin Economics (2023).

For Kosovar exporters, unpredictability is as important a concern as direct financial burdens. A firm deciding whether to enter another CEFTA market must consider whether its certificates will be accepted, whether additional tests or inspections may be required and how predictable border clearance will be. These function as fixed market-entry costs, which can be particularly significant when the potential destination market is relatively small.

The impact is therefore likely to be greater for SMEs. Larger exporters can spread certification and compliance costs across higher sales volumes and are generally better able to maintain specialised staff or use customs and regulatory experts. For smaller firms, repeated testing, additional documentation or unpredictable border procedures can affect whether exporting to another CEFTA economy is commercially viable at all. Reducing these costs can therefore support not only existing exporters but also lower the threshold for new firms to enter regional markets.

Conclusion 5: Remaining implementation gaps increase the costs and uncertainty of regional trade. SMEs are particularly affected.

4.4. Cross-cutting trade-facilitation constraints

Kosovo has already made substantial progress in the digitalisation of customs procedures. SEED+ enables pre-arrival exchange of information and increasingly supports risk-based processing and cooperation between customs and other border agencies. Kosovo Customs interview evidence indicates that data are exchanged before consignments arrive and that the system is increasingly being used in cooperation with phytosanitary, veterinary and market-surveillance authorities.

The remaining challenge is to translate this digital infrastructure into end-to-end reductions in the time and cost of moving goods across borders. Interview evidence indicates that Green Lanes are primarily functioning through information exchange rather than as dedicated physical lanes, while infrastructure constraints and the availability and coordination of inspections continue to limit the benefits experienced by traders.

This distinction is economically important. CEFTA Secretariat interview evidence confirms that Green Lanes and pre-arrival information through SEED+ can reduce waiting times, improve risk management and increase the efficiency of processing, while border delays increase firms' costs and weaken competitiveness. The CEFTA Secretariat stresses that digitalisation produces the greatest benefits when accompanied by procedural simplification, regulatory reforms and effective institutional coordination.

Aggregate regional evidence nevertheless suggests that Kosovo performs relatively well on some border indicators. A regional survey[7] recorded median waiting times of around three hours for exports and four hours for imports across CEFTA, compared with approximately two hours for both exports and imports in Kosovo. At the same time, interviews undertaken for this policy brief point to remaining operational bottlenecks, including inspection availability and physical infrastructure. The evidence therefore suggests that Kosovo has established a relatively strong digital and procedural foundation, but further gains depend increasingly on inter-agency coordination and physical implementation at crossing points.

[7] Berlin Economics (2023).

Conclusion 6: Kosovo has established a relatively strong digital foundation for trade facilitation, but further gains increasingly depend on stronger inter-agency coordination, inspection capacity and physical implementation at crossing points.

Conclusion 7: Taken together, the analysis suggests that the economic case for stronger CRM implementation extends beyond increasing existing exports. Lower regulatory and trade-related costs can help Kosovo firms enter additional regional markets, strengthen their readiness for EU market integration and improve the conditions for participation in regional value chains. These benefits are most likely where implementation reforms are combined with improvements in firms' productive capacity and competitiveness.

5. Gap analysis: where does Kosovo stand?

The preceding chapter shows that Kosovo has potential for greater regional market penetration. Realising these opportunities depends, among other factors, on reducing regulatory, technical and administrative barriers and effectively implementing Kosovo's CEFTA and CRM 2.0 commitments. This chapter assesses the main implementation gaps that need to be addressed.

Kosovo's implementation position under CEFTA and CRM 2.0 is mixed. Progress has been strongest where implementation could proceed through national administrative reforms, legislative approximation, development of quality-infrastructure institutions, customs digitalisation and participation in regional technical initiatives. More complex measures that depend on mutual recognition, full regulatory alignment, credible conformity-assessment systems, coordinated market surveillance or agreement among all CEFTA Parties have advanced more slowly. This pattern is consistent with the broader regional picture identified by the CEFTA Secretariat: transparency, information exchange and digitalisation have generally advanced further, while mutual recognition, harmonisation of technical requirements and market-surveillance cooperation remain more demanding because they require regulatory convergence, institutional coordination and sustained administrative capacity.

For Kosovo, an important change occurred in May 2026. The Assembly ratified CEFTA Additional Protocol 5 on Trade Facilitation, Additional Protocol 6 on Trade in Services and Additional Protocol 7 on Dispute Settlement and the laws were published in the official gazette on 19 May 2026, through Laws No. 10/L-037, 10/L-038 and 10/L-039 respectively. The three protocols extend Kosovo's formal commitments in key areas of regional integration: AP5 provides the framework for simplifying and harmonising trade procedures and strengthening trade-facilitation cooperation; AP6 establishes rules for liberalising trade in services, including market access and the treatment of service suppliers; and AP7 establishes procedures for consultations and dispute settlement when CEFTA commitments are not respected. Their ratification therefore removed an important domestic legal constraint to Kosovo's participation in these arrangements. The practical challenge has increasingly shifted towards operationalising the protocols and related CRM commitments through the relevant domestic institutions and procedures.

The analysis follows the underlying structure of the CEFTA framework and its relationship with CRM 2.0. It begins with CEFTA Additional Protocol 5 (AP5), followed by the CRM priority areas most relevant to trade in goods (1.2 and 1.4), before addressing AP6 and AP7 and other cross-cutting measures. This sequencing reflects the fact that the CEFTA Additional Protocols provide the legal and institutional framework underpinning several of the more specific implementation commitments set out under CRM 2.0.

5.1. CEFTA Additional Protocol 5 – trade facilitation

Additional Protocol 5 provides the horizontal framework for modernising and simplifying procedures affecting trade in goods. Its relevance goes beyond customs: it supports electronic documentation and data exchange, risk management, simplification of procedures, cooperation among border agencies and mutual recognition arrangements, including for Authorised Economic Operators (AEO).

Kosovo's ratification of AP5 in May 2026 is therefore an important milestone. Customs officials interviewed for this brief emphasised that Kosovo had already participated in several CEFTA trade-facilitation initiatives before formal ratification, particularly through SEED+, common risk profiles and cooperation with other border agencies. Ratification nevertheless creates a stronger basis for moving towards mechanisms that depend on formal recognition, particularly mutual recognition of AEO programmes.

5.1.1 Progress achieved

Kosovo appears relatively advanced in several operational customs areas. SEED/SEED+ is already integrated into Customs operations, enabling the exchange of data on goods before arrival. According to Kosovo Customs, information exchange has progressively expanded from export and transit data to a wider range of goods and agencies, with data transmitted automatically from the Customs system. The system is used for risk analysis, common risk profiles and cooperation with agencies such as the Market Inspectorate.

Kosovo has also introduced the pre-arrival declaration system since March 2026. Customs reported that consignments not selected through risk analysis can be processed rapidly and that more than 70 firms use simplified procedures. This is an important domestic trade-facilitation achievement, although it should be treated separately from regional CRM measures because it is primarily a Kosovo-specific customs reform.

Risk-based cooperation between Customs and the Market Inspectorate is another positive example. Customs can create specific risk profiles requested by market-surveillance authorities, while inspectors receive system notifications when relevant consignments arrive. Customs described this as an advanced form of institutional interoperability.

5.1.2 Remaining gaps

The main AP5 challenge is therefore no longer initiation of trade-facilitation reforms, but turning existing national systems into regionally recognised and interoperable mechanisms.

One immediate example is the AEO programme. Kosovo currently has 13 authorised economic operators, but until AP5 was ratified the programme could not move towards full regional validation and recognition. Stakeholders expect ratification to open the way towards mutual recognition, but interview evidence suggests that a CEFTA-level decision is still required.

A second institutional gap concerns the National Trade Facilitation Committee (NTFC). Interview evidence consistently points to the need to reactivate or strengthen this mechanism. Stakeholders proposed using the Committee as the central platform for coordinating Customs, MIETI and border agencies, while ensuring structured private-sector participation and solving operational trade barriers.

AP5 implementation therefore presents a relatively clear transition: Kosovo has established several trade-facilitation tools; the priority after ratification is to operationalise the governance and mutual-recognition mechanisms that allow these tools to deliver regional benefits.

Conclusion 8: Following AP5 ratification, Kosovo's main implementation priorities are to operationalise mutual recognition of its AEO programme and strengthen inter-agency coordination through the National Trade Facilitation Committee.

5.2. CRM 2.0 Priority Area 1.2 – free movement of non-food industrial goods

Priority Area 1.2 is one of the most demanding elements of CRM 2.0 because it requires regulatory convergence and trust in the quality-infrastructure systems of participating economies. The Action Plan envisages four main actions: extension of mutual recognition of conformity-assessment results; harmonisation of labelling requirements; acceptance of goods in non-harmonised sectors; and cooperation in market surveillance. Recognition of conformity-assessment results

CRM Action 1.2.1 envisages extending the CEFTA framework for recognition of certificates, testing results and inspection reports, conditional on alignment with the relevant EU acquis. The expected benefits are reduced duplication, lower compliance costs and broader recognition in sectors including machinery and construction products.

This is potentially one of the most economically important actions for Kosovo, but implementation remains incomplete. MIETI indicated that negotiations had started previously but have not advanced to implementation and are expected to resume. A key difficulty is designing a recognition framework broad enough to cover different conformity-assessment outputs while ensuring alignment with EU technical legislation and CE-marking requirements.

Kosovo also continues to face domestic quality-infrastructure constraints. There are testing and inspection capacities, but certification bodies remain a major gap, while the absence of EA MLA recognition limits the international value of conformity assessments performed domestically. This was a central finding of the first policy brief and remains directly relevant to regional mutual recognition.

The policy implication is that Kosovo should pursue two tracks simultaneously. At regional level it should actively support completion of the CEFTA recognition decision. Domestically, it needs to strengthen conformity-assessment capacity, complete relevant sectoral acquis alignment and advance the EA MLA process so that Kosovo's own conformity-assessment system can credibly benefit from regional recognition.

5.2.1 Harmonisation of labelling requirements

CRM Action 1.2.2 seeks to harmonise labelling and classification requirements for chemicals and other products, drawing particularly on EU CLP and REACH rules and extending relevant good practices to pesticides, biocides and fertilisers.

This appears to be one of the least advanced elements of Priority 1.2. According to interviews with MIETI, there has been little progress to date on CRM actions concerning chemical labelling and related areas.

This matters because divergent national labelling requirements can operate as a technical barrier even where underlying product standards are similar. In a regional market composed of relatively

small economies, requiring firms to adapt labels, documentation or classifications for individual markets increases fixed compliance costs disproportionately for SMEs.

The immediate requirement is therefore primarily regulatory: identify differences between Kosovo requirements, the relevant EU acquis and requirements applied across CEFTA Parties, and establish which divergences can be removed nationally without waiting for a regional agreement.

5.2.2 Acceptance of goods in non-harmonised sectors

CRM Action 1.2.3 envisages an agreement allowing goods lawfully marketed in one CEFTA Party to be marketed in other Parties in non-harmonised sectors, drawing on the principles underpinning Articles 34-36 TFEU and Regulation (EU) 2019/515. Unlike harmonised product sectors, where common technical requirements provide the basis for market access, this action requires authorities to establish procedures for assessing and accepting products where harmonised regional or EU product rules do not apply.

For Kosovo, implementation requires more than participation in a future regional agreement. The responsible authorities need to identify the national rules and product categories potentially affected, establish clear administrative responsibilities for assessing products lawfully marketed elsewhere, and ensure that businesses and enforcement authorities understand the applicable procedures and grounds for restricting market access. This creates a concrete national preparedness agenda that can advance even while the regional arrangement is being developed.

The immediate priority should therefore be to map relevant non-harmonised product requirements, designate the competent authority or authorities responsible for applying the future arrangement, and assess whether domestic procedures are compatible with the mutual-recognition principles envisaged under CRM 2.0.

5.2.3 Cooperation on market surveillance

CRM Action 1.2.4 calls for information exchange, joint enforcement initiatives and stronger cooperation among market-surveillance authorities, with the aim of ensuring that only compliant products circulate within CEFTA.

Kosovo has made important progress in this area. The first policy brief documented the establishment of the new Central Inspectorate for Market Surveillance and improvements in the legislative framework. Customs and market surveillance also cooperate through risk profiles and information exchange.

However, operational capacity remains a constraint. Interview evidence points to limited staffing and a continued need for specialised training in technical legislation and risk assessment. The policy brief “The Single Market Highway: accelerating the single market integration of Kosovo” similarly identified insufficient digitalisation, limited specialised expertise, weak systematic risk analysis and incomplete interinstitutional coordination as remaining weaknesses.

The immediate opportunity under CRM is therefore to deepen regional cooperation through more coordinated, risk-based market surveillance and stronger information exchange on unsafe and non-compliant products. At national level, this requires strengthening the operational capacity of the Market Inspectorate and its coordination with other relevant authorities

Conclusion 9: Kosovo’s main readiness gaps under CRM Priority 1.2 are limited conformity-assessment capacity and recognition, together with operational weaknesses in market surveillance.

Addressing these domestic gaps should proceed in parallel with CEFTA-level arrangements on mutual recognition.

5.3. CRM 2.0 Priority Area 1.4 – other trade facilitation measures

Priority Area 1.4 concentrates on two issues with direct business impact: fees and charges and non-tariff measures/trade-distorting practices.

5.3.1 Harmonisation and reduction of fees and charges

CRM Action 1.4.1 aims to harmonise and reduce trade-related fees, ensure uniform inspection rates throughout the day and improve access to information on charges.

For Kosovo, the domestic problem appears less pronounced than in some other CEFTA markets. MIETI reported that Kosovo does not impose comparable trade-related fees in the area examined. The broader CEFTA evidence suggests, however, that fees and charges remain an important regional issue and can affect Kosovo firms when exporting to other markets. CEFTA-[8] evidence identified fees and charges among the principal procedural barriers faced by businesses in several economies.

Kosovo's policy interest in this action is therefore partly defensive and regional: it should support common rules that make costs imposed on Kosovo exporters more predictable, transparent and comparable across CEFTA markets.

5.3.2 Removal of non-tariff measures and trade-distorting practices

CRM Action 1.4.2 provides for the identification and removal of non-tariff measures (NTMs) and trade-distorting practices in line with EU rules, with the objective of improving the regional business environment.

NTMs emerged from the stakeholder consultations as one of the most significant practical constraints affecting Kosovo's regional exports. Across the interviews, stakeholders repeatedly pointed to additional documentation and administrative requirements imposed on Kosovo-origin goods in some CEFTA markets. This is consistent with recent regional evidence[9] on Western Balkan economic integration, which shows that despite substantial tariff liberalisation, firms continue to face significant trade costs arising from non-tariff barriers, regulatory requirements and border-related frictions. A recent Bruegel analysis identifies technical regulations and inefficient cross-border infrastructure among the important constraints to deeper integration with European supply chains.

From the private-sector perspective, this is a particularly important area. The Berlin Economics (2023) study identifies technical barriers to trade and rules of origin as common obstacles to exports, alongside procedural barriers related to clearance, fees and coordination between border agencies. For Kosovo firms specifically, the study also points to weaknesses in appeal and review procedures and border-agency coordination.

The consistency of this finding across interviews suggests that the main challenge lies in implementation and enforcement. Stakeholders cited examples of additional documentation, certification, inspection and other administrative requirements affecting Kosovo exports,

[8] Berlin Economics (2023).

[9] Barata da Rocha, M., Poitiers, N. and Vujanović, N. (2026).

particularly in Albania and Serbia. These barriers were reported as especially relevant for food and agricultural products Stakeholders also emphasised that some problems continue to be addressed through political or diplomatic channels rather than predictable technical mechanisms.

These findings are consistent with broader regional evidence. Vujanović (2023) identifies duplicated cross-border checks, lengthy waiting times and infrastructure constraints as persistent problems related to the movement of goods across the Western Balkans.[10] The scale of the problem is significant: according to the European Commission, trucks spend around 28 million hours waiting at borders in the Western Balkans each year, imposing costs estimated at approximately 1% of regional GDP. [11]

CEFTA already provides mechanisms through which trade barriers can be identified and addressed, including its Market Access Barriers (MAB) database, while the CEFTA Subcommittee on Non-Tariff Measures is mandated to review identified measures and propose action for their elimination. However, interviews indicate that Kosovo businesses make limited use of these mechanisms because documenting a case can require significant administrative effort and supporting evidence, and firms have limited incentives to pursue individual cases. The gap is therefore not the absence of a reporting mechanism, but insufficient domestic support for businesses to identify, document and substantiate barriers and ensure their systematic follow-up through CEFTA structures.

Conclusion 10: Non-tariff measures remain among the most consistently reported practical constraints for Kosovo exporters, particularly additional documentation, testing and administrative requirements in regional markets. The priority is not to create new reporting mechanisms, but to strengthen support for businesses to document and pursue cases systematically through existing CEFTA mechanisms.

5.4. AP6 and AP7 – relevant cross-cutting dimensions

Kosovo's ratification of Additional Protocol 6 shifts the policy question from legal adoption towards implementation. AP6 is particularly relevant to the right of establishment and freedom to provide services and therefore extends beyond services that merely support goods trade. For Kosovo, the implementation agenda should be assessed against the responsibilities of MIETI and, where regulated professions are concerned, the Ministry of Education and the other relevant institutions.

A targeted implementation assessment is therefore needed to identify whether domestic authorisation, licensing or other regulatory requirements create unnecessary restrictions on regional service provision, and whether Kosovo has the institutional arrangements necessary to implement relevant CRM commitments on professional qualifications. These areas merit particular attention where Kosovo can remove domestic administrative barriers without waiting for further regional decisions.

AP7 has more direct relevance to the implementation problem identified in this brief. The CRM Action Plan calls for its full implementation to provide predictable and impartial dispute resolution and facilitate implementation of the wider CEFTA framework. Ratification alone, however, does not ensure that Kosovo can make effective use of the mechanism. The immediate domestic issue is institutional readiness: which authority receives information on potential CEFTA violations, who

[10] Vujanović, N. (2023).

[11] European Commission (n.d.).

assesses whether a business complaint raises a CEFTA issue, who prepares the technical and legal evidence, and how a case is escalated to the appropriate CEFTA mechanism.

Interviews repeatedly identified the absence of a predictable pathway for resolving regional trade barriers. In practice, some problems have continued to be escalated through ministries, embassies or political channels. Kosovo should therefore establish a clear domestic AP7 implementation procedure, including designated institutional responsibilities and a structured channel through which businesses can submit documented trade barriers. This could build on the proposed electronic complaint mechanism involving the Ministry responsible for trade and the Kosovo Chamber of Commerce and link it directly to the government structure responsible for assessing and pursuing CEFTA cases.

Conclusion 11: Ratification of AP6 and AP7 has shifted the challenge from legal adoption to effective implementation. Kosovo now needs to identify and address remaining domestic restrictions affecting regional services and professional qualifications, while establishing clear institutional responsibilities for identifying, documenting and pursuing potential CEFTA violations through AP7.

5.5. Supporting trade-facilitation measures

CRM 2.0 envisages expanding Green Lanes through stronger inter-agency cooperation, priority treatment for selected products and trusted operators, coordinated controls and improved inspection availability. The Action Plan explicitly envisages shorter waiting times for AEOs, coordinated working hours and 24/7 inspection availability at key crossing points.

Kosovo's key gap is physical operationalisation. Customs indicated that Green Lane functionality currently exists primarily through information exchange rather than dedicated physical lanes. Infrastructure limitations restrict the benefits that firms experience at crossing points. The Economic Chamber similarly reported that waiting continues and that infrastructure does not yet allow Green Lanes to function as a genuinely differentiated channel.

This is particularly important for the AEO programme. Regional recognition will create little practical incentive unless trusted operators receive tangible benefits such as dedicated lanes, reduced controls and faster processing.

CRM Priority 3.2 envisages expanding electronic exchange of data and documents across the agencies involved in clearance, including pre-arrival information, testing results, scan images and other trade documentation. It also envisages improving the exchange of information on unsafe and non-compliant industrial products and progressively linking SEED to wider government interoperability systems.

Kosovo appears comparatively well positioned on this dimension. Customs reports that SEED+ operates in real time, exchanges data across CEFTA and already supports common risk profiles and cooperation with other agencies.

The next stage should therefore focus on expanding the range of agencies and documents integrated into SEED+, improving interoperability and linking digital information exchange to actual reductions in inspection duplication and waiting times.

5.5.1 Common transit convention

A further cross-cutting issue raised during consultations concerns Kosovo's exclusion from the Convention on a Common Transit Procedure. According to stakeholder interviews, this creates additional procedures and costs for Kosovo transporters in transit because Kosovo does not have equivalent access to the common transit system. The European Commission confirms that Kosovo has already applied to become an observer under the Common Transit Convention, but that no progress had been made on the application due to statehood issues.[12]

The policy priority is to advance the existing request. Kosovo should strengthen diplomatic engagement and targeted advocacy with EU Member States and other relevant Convention parties to build support for its observer status, while also assessing whether other interim arrangements could facilitate closer participation in the common transit system pending a longer-term solution. This issue goes beyond the formal scope of CRM Areas 1.2 and 1.4 but is directly relevant to the objective of lowering the cost of moving industrial goods. It therefore merits treatment as a specific cross-cutting policy issue, subject to further legal assessment of the available accession or observer arrangements.

Conclusion 12: Kosovo has functioning digital systems for trade facilitation, but physical border infrastructure, inspection capacity and limited regional interoperability continue to cause delays and additional costs for businesses.

5.6. Cross-cutting institutional and governance gaps

Across the individual commitments, several common institutional weaknesses emerge. These are particularly relevant for MIETand the institutions responsible for quality infrastructure, market surveillance, consumer protection and regulated professions, because many of the remaining CRM commitments require coordinated implementation across these bodies.

First, national coordination remains fragmented. CEFTA itself stresses that implementation typically involves MIETI, Customs, quality-infrastructure institutions, market surveillance, transport and digital authorities, making effective national coordination essential.

Second, Kosovo lacks a sufficiently strong mechanism for monitoring CRM commitments, identifying delays and assigning responsibility for corrective action. One interview explicitly described implementation as largely ad hoc and proposed a stronger coordination function within the Office of the Prime Minister rather than leaving monitoring dispersed among line ministries.

Third, the National Trade Facilitation Committee is not functioning as the central problem-solving mechanism that AP5 implementation requires. Reactivating it with regular meetings, senior institutional representation, meaningful business participation and a clear monitoring mandate would address several of the coordination problems identified across this chapter.

Fourth, staffing remains a recurring implementation constraint. Market-surveillance capacity is particularly limited, while quality-infrastructure institutions continue to face shortages of specialised expertise. These constraints mean that formal regulatory alignment cannot automatically be translated into equivalent enforcement and operational capacity.

[12] European Commission (2025).

A further gap is the absence of a sufficiently clear allocation of responsibility for individual CRM commitments. For each outstanding action under Priority Area 1.2, AP6 and AP7, Kosovo should identify a lead institution, supporting institutions, the required domestic action and whether implementation depends on a CEFTA-level decision. This would make it possible to distinguish national implementation gaps from delays that Kosovo cannot resolve unilaterally.

Finally, business consultation remains insufficiently structured. Firms and business associations possess information on concrete trade barriers, yet these issues are not systematically captured, documented and translated into national or CEFTA-level action. A permanent business feedback and complaint mechanism linked to the NTFC could substantially improve Kosovo's ability to identify and challenge NTMs.

A potentially important development for addressing weaknesses in implementation monitoring is the CRM Monitoring Tool currently being finalized under RCC coordination. The tool is intended to consolidate economy-level information on laws, systems and agreements, verify progress through regional coordination mechanisms and make implementation progress visible through a live dashboard and annual reporting. RCC presented the main building blocks of the tool at the Growth Plan Summit in July 2025, describing it as a mechanism for transparent, evidence-based tracking of reforms across CRM areas. In November 2025, RCC confirmed that the monitoring mechanism remained under development and was intended to allow governments, the European Commission and the public to track implementation of CRM reforms.

For Kosovo, the Monitoring Tool could help address one of the cross-cutting gaps identified through stakeholder consultations: the absence of a sufficiently systematic national mechanism for tracking implementation of individual CRM commitments, identifying delays and assigning responsibility for follow-up. Once operational, Kosovo should align its domestic CRM monitoring arrangements with the regional framework, including the annual milestones and indicators used by the tool, rather than establishing a parallel monitoring system.

Conclusion 13: Fragmented coordination and unclear institutional responsibilities remain key implementation gaps. Stronger central monitoring and a more operational NTFC would improve accountability for CRM implementation.

6. Recommended actions

The recommendations respond directly to the implementation gaps identified in the preceding analysis and are based on three considerations: the importance of the gap for implementation of Kosovo's CEFTA and CRM 2.0 commitments; the extent to which Kosovo can address the gap through national action; and the sequencing of actions where implementation depends on earlier institutional or regulatory steps. The recommendations also take into account the quantitative analysis, particularly areas where reducing regulatory and administrative barriers could support greater regional market access.

The recommendations are organised into general, immediate and medium-term actions. General recommendations provide principles that should guide implementation across the period. Immediate actions focus primarily on measures that can be initiated nationally within the next 12 months and that either address priority gaps directly or create the conditions for subsequent reforms. Medium-term actions build on these foundations and generally require additional institutional capacity, technical investment or regional cooperation. Within each group, recommendations are ordered according to implementation dependency and policy priority rather than simply ease of implementation.

6.1. General (strategic) actions

1. **Use CRM implementation as a pathway towards EU Single Market integration.**
   Kosovo should systematically align implementation of CRM 2.0 with its EU acquis and Single Market integration agenda. QI reforms, mutual recognition, services liberalisation, market surveillance and consumer protection should increasingly be treated as mutually reinforcing components of the same integration pathway. This reflects the CRM Action Plan itself, which describes CRM 2.0 as an EU-rules-based framework and a stepping stone towards the EU Single Market.
   - CRM link: Horizontal objective of CRM 2.0 / Growth Plan Pillar II
   - Gap addressed: CRM implementation and EU Single Market approximation are not yet sufficiently integrated into a coherent reform pathway across responsible institutions.
   - Lead institutions: MIETI, Office of the Prime Ministers
   - Key enablers: Alignment of CRM, Reform Agenda and EU accession priorities; coordinated EU assistance
   - Timeline: Continuous

2. **Prioritise QI investment according to sectors where CRM integration can generate the largest economic gains.**
   Investment in laboratories, certification, metrology and compliance support should be linked to sector-level trade evidence and the specific requirements of CRM recognition arrangements. This would concentrate scarce institutional and financial resources on sectors where Kosovo already demonstrates comparative advantage and where regulatory costs affect regional market access. Note: Sectors with ACAA alignment correspond to sectors that are competitive even in the CEFTA market.
   - CRM link: Priority Area 1.2 – Free Movement of Non-Food Industrial Goods, complemented by Action 3.9.1 on promotion of business opportunities arising from CRM and the CRM supplier-development agenda.
   - Gap addressed: Limited QI resources and technical capacity are not yet systematically prioritised according to sector-level export potential and the requirements for regional recognition.
   - Lead institutions: MIETI, KAD, KSA, Metrology Agency
   - Key enablers: Sector-level trade evidence, business consultation, Reform Agenda financing
   - Timeline: Continuous

3. **Pursue regional recognition proactively while completing all reforms that Kosovo controls nationally.**
   Kosovo should differentiate systematically between actions that can be completed nationally and those requiring CEFTA agreement. National regulatory alignment, institutional preparation and QI capacity should proceed without waiting for regional consensus, while Kosovo should actively advance pending recognition arrangements through CEFTA.
   - CRM link: Actions 1.2.1–1.2.3; Action 1.3.2 on AEO recognition; Action 3.8.1 on AP7 implementation. CRM 1.3.2 envisages recognition of AEO programmes across remaining CEFTA Parties and tangible benefits such as priority lanes and reduced controls.

- Gap addressed: Progress on some CRM commitments depends on regional agreement, creating a risk that nationally actionable regulatory and institutional reforms are delayed while recognition arrangements remain pending.
- Lead institutions: MIETI, Government of Kosovo, Kosovo Customs where relevant
- Key enablers: Active CEFTA engagement, domestic readiness, evidence-based negotiation positions, EU support
- Timeline: Continuous

4. **Advance Kosovo's existing application for observer status under the Common Transit Convention.**
   Kosovo should strengthen diplomatic engagement and targeted advocacy with EU Member States and other relevant Convention parties to advance its existing application for observer status under the Common Transit Convention. In parallel, Kosovo should assess feasible interim arrangements that could facilitate closer integration into the common transit system while a longer-term solution is pursued.
   - CRM link: AP5 on Trade Facilitation / broader CRM objective of facilitating regional movement of goods
   - Gap addressed: Kosovo remains outside the Common Transit Convention despite its existing application for observer status, resulting in additional transit procedures and costs for Kosovo operators.
   - Lead institutions: Government of Kosovo, MIETI, Kosovo Customs
   - Key enablers: Diplomatic engagement, EU support, technical readiness and cooperation with Convention parties
   - Timeline: Continuous / dependent on external agreement

6.2. Immediate actions (so-called "low-hanging fruits")

The analysis identified the following immediate actions that Kosovo can undertake largely at national level and that could generate relatively quick improvements in the implementation of CEFTA and CRM 2.0 commitments.

1. **Accelerate national readiness for regional recognition of conformity-assessment results.**
   Kosovo should use the period while the CEFTA recognition framework is being finalised to identify gaps in testing, inspection and certification capacity, and strengthen the conformity-assessment bodies needed to participate effectively in regional recognition. Attention should be given to addressing the absence of accredited certification bodies and remaining limitations in laboratory capacity. MIETI interview evidence identifies these as important institutional gaps. CEFTA also identifies recognition of conformity-assessment results as a key instrument for reducing duplicated testing and compliance costs.
   - CRM link: Action 1.2.1 – Extension of recognition of conformity-assessment results
   - Gap addressed: Kosovo is not yet fully prepared for regional recognition because conformity-assessment capacity remains incomplete, particularly in certification and laboratory services required in relevant sectors.
   - Lead institutions: MIETI, KAD
   - Key enablers: Support to certification bodies and laboratories, technical assistance, sector prioritisation, private-sector participation

- Timeline: 6-12 months

2. **Advance regional recognition of Kosovo's AEO programme.**
   Following the ratification of AP5, Kosovo should actively pursue regional recognition of its Authorised Economic Operator (AEO) programme through the relevant CEFTA structures. Kosovo Customs and MIETI should address any remaining requirements within Kosovo's control while continuing to advocate for recognition by other CEFTA Parties. Recognition should also translate into practical benefits for AEOs, including simplified procedures and reduced controls.
   - CRM link: Action 1.3.2 – Recognition of AEO programmes across CEFTA Parties; AP5 on Trade Facilitation
   - Gap addressed: Kosovo has an operational AEO programme, but regional recognition and the associated trade-facilitation benefits are not yet fully operational.
   - Lead institutions: MIET
   - Key enablers: Domestic readiness, active engagement through CEFTA structures, cooperation of other CEFTA Parties
   - Timeline: 0-6 months / dependent on regional agreement

3. **Operationalise the National Trade Facilitation Committee as a permanent problem-solving mechanism.**
   The National Trade Facilitation Committee should be reactivated with regular meetings, clear institutional representation, meaningful private-sector participation and a mandate to follow up operational trade barriers. The Committee could serve as the working-level mechanism for resolving practical implementation issues, while strategic CRM monitoring remains anchored at a higher government level. Stakeholders specifically identified the operationalisation of the NTFC as a priority following the ratification of AP5.
   - CRM link: Priority Area 1.4 – Other trade facilitation measures, particularly Action 1.4.2 on identifying and removing NTMs and trade-distorting practices; also supports implementation of AP5
   - Gap addressed: The NTFC exists but is not functioning effectively as a regular mechanism for interinstitutional coordination, private-sector participation and follow-up of practical trade barriers.
   - Lead institutions: MIETI
   - Key enablers: Formal mandate, regular meeting calendar, senior institutional participation, structured business participation,Kosovo Chamber of Commerce, business associations, electronic reporting, regular consultation
   - Timeline: 6-12 months

4. **Map national gaps related to labelling and non-harmonised goods.**
   MIETI should undertake a targeted mapping of Kosovo's requirements against the relevant EU acquis and emerging CEFTA arrangements, prioritising chemical labelling and products in non-harmonised sectors. The exercise should identify national regulatory divergences that can be addressed without waiting for completion of the regional negotiations and clarify the competent institutions responsible for implementing future mutual-recognition arrangements. CRM 1.2.2 covers harmonisation of chemical-product labelling, including CLP and REACH-related requirements, while 1.2.3 envisages acceptance of goods lawfully marketed in another Party where harmonised EU rules do not exist.
   - CRM link: Actions 1.2.2 – Harmonisation of labelling rules for chemical and other products; and 1.2.3 – Acceptance of goods in non-harmonised sectors

- Gap addressed: Kosovo has not yet systematically identified regulatory changes needed and responsible institutions under CRM Actions 1.2.2 and 1.2.3.
- Lead institutions: MIETI - Quality Infrastructure Division
- Key enablers: Regulatory gap assessment, EU technical assistance, coordination with competent product authorities
- Timeline: 6-12 months

5. **Support greater transparency and harmonisation of trade-related fees and charges.**
Kosovo should use CEFTA structures to promote greater transparency and comparability of trade-related fees and charges across CEFTA Parties and, where possible, their harmonisation or reduction. Kosovo should also systematically document fees and charges faced by its exporters to support evidence-based discussions at CEFTA level.
   - CRM link: Action 1.4.1. Agreement on harmonisation and reduction and removal of fees and charges and 1.4.2. Removal of non-tariff measures (NTMs) and trade distorting practices
   - Gap addressed: Differences in trade-related fees and charges across CEFTA markets create additional costs for exporters, while information on these costs is not yet systematically documented and used in regional discussions.
   - Lead institutions: MIETI, with relevant border and inspection authorities
   - Key enablers: Evidence from businesses, cooperation with business associations, active engagement through CEFTA structures
   - Timeline: 6–12 months / ongoing regional engagement

6. **Strengthen domestic support to businesses for reporting and pursuing NTMs and operationalising AP7.**
MIETI should establish a clear domestic support procedure through which businesses can receive assistance in identifying, documenting and substantiating trade barriers and determining whether cases should be pursued through existing CEFTA mechanisms. This could include a small institutional focal team working in cooperation with the Kosovo Chamber of Commerce and other business associations to support firms in preparing evidence and ensure systematic institutional follow-up. Stakeholders stressed that barriers are currently often channelled through political or diplomatic channels rather than through predictable rules-based procedures.
The recommendation directly supports CRM 1.4.2, which calls for identification and removal of NTMs and trade-distorting practices, as well as CRM 3.8.1 on full implementation of AP7.
   - CRM link: Action 1.4.2 – Identification and removal of NTMs and trade-distorting practices; and Action 3.8.1 – Full implementation of AP7 on Dispute Settlement
   - Gap addressed: Businesses have limited institutional support to identify, document and substantiate trade barriers and pursue them systematically through existing CEFTA and AP7 mechanisms.
   - Lead institutions: MIET – Trade Department
   - Key enablers: Designated institutional focal point, business participation, legal and technical expertise, documented evidence, effective use of existing CEFTA reporting mechanisms.
   - Timeline: 6-12 months

7. **Establish a central mechanism for monitoring CRM implementation.**
Kosovo should establish a systematic national mechanism for assigning responsibility for CRM actions, monitoring progress and escalating delays. This should preferably be

anchored within the Office of the Prime Minister/Sherpa structure and aligned with the regional CRM monitoring framework. Interview evidence indicates that institutional responsibilities are not always clearly assigned and that Kosovo lacks a single institution systematically monitoring CRM implementation.

- CRM link: Horizontal implementation of the CRM Action Plan 2025–2028
- Gap addressed: CRM responsibilities are dispersed across institutions, with no sufficiently systematic mechanism for assigning ownership, tracking milestones and escalating implementation delays.
- Lead institutions: Office of the Prime Minister/Sherpa, MIETI
- Key enablers: Institutional focal points, common indicators, regular implementation reporting, linkage with regional monitoring
- Timeline: 6-12 months

6.3. Medium-term actions

1. **Accelerate operationalisation of the market-surveillance framework and strengthen inspection capacity.**
   Following recent reforms to the market-surveillance framework, the immediate priority should shift towards implementation. This should include specialised staff training on technical legislation, adoption of risk-assessment methodologies, and stronger coordination with quality-infrastructure institutions**, c**ustoms, and regional market inspectorates. Interview evidence also points to limited staffing as an important constraint on effective market surveillance.
   - CRM link: Action 1.2.4 – Establish cooperation on market surveillance
   - Gap addressed: Market-surveillance information exchange and risk management are not yet sufficiently systematic or integrated to support coordinated identification and enforcement against unsafe and non-compliant products.
   - Lead institutions: Market Inspectorate, MIETI
   - Key enablers: Staff recruitment and training, EU risk-assessment guidance, digitalisation, interinstitutional cooperation
   - Timeline: 1–2 years

2. **Develop a fully risk-based and digitally connected market-surveillance system.**
   Kosovo should build on existing Customs-Market Inspectorate cooperation to develop systematic risk-based surveillance, common profiles, electronic exchange of inspection information and better identification of unsafe and non-compliant goods. Cooperation should also include joint initiatives to improve compliance and enforcement, make more efficient use of inspection resources, and strengthen the identification of unsafe and non-compliant products. This would help ensure that products placed on the market meet applicable requirements and provide a high level of consumer protection.
   - CRM link: Action1.2.4 Establish cooperation on market surveillance; Horizontal Action 3.2 – Digitalisation and paperless trade
   - Gap addressed: Market-surveillance implementation remains constrained by limited specialised staffing and technical expertise, insufficient risk-assessment capacity and uneven coordination with QI institutions, Customs and regional counterparts.
   - Lead institutions: Market Inspectorate

- Key enablers: digital interoperability, common risk profiles, staffing, technical training
- Timeline: 1–3 years

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Annexes

Annex I. Indicators used for the sector-level trade analysis

The sector-level analysis assesses Kosovo's position in the CEFTA market by combining indicators of export specialisation, regional market penetration and export dynamics**.** Trade data are based on UN Comtrade and Kosovo Customs for 2020–2024 at HS6 level and mapped to ISIC Rev. 4.

Dimension 1: Export competitiveness

- **Revealed Comparative Advantage (RCA)**, to identify manufacturing sectors in which Kosovo demonstrates relative export specialisation. An RCA above 1 indicates revealed comparative advantage.
- **Cumulative export growth, 2020–2024**, to capture the evolution and dynamism of Kosovo's exports in each sector. Export growth is calculated as: **Export growth = (exports in 2024 / exports in 2020) – 1**

Dimension 2: Regional market penetration

- **Kosovo's CEFTA market share**, calculated as Kosovo's exports to CEFTA economies in sector *i* divided by total CEFTA imports in the same sector, to measure the extent to which Kosovo currently captures regional import demand.
- **Kosovo's position in individual CEFTA markets**, measured through Kosovo's share in the intra-CEFTA imports of individual CEFTA economies, to illustrate differences in Kosovo's regional market penetration.

Dimension 3: Untapped regional export potential

- **RCA above 1 combined with a relatively low CEFTA market share**, to identify sectors where Kosovo demonstrates existing export competitiveness but accounts for a relatively small share of regional import demand.
- **RCA, CEFTA market share and export growth considered jointly**, to distinguish sectors where existing comparative advantage and low regional penetration are accompanied by positive export momentum.

The indicators are interpreted as **supporting rather than causal evidence**. A high RCA, positive export growth and relatively low CEFTA market share may indicate scope for further regional expansion, but do not demonstrate that low market penetration is caused by regulatory or trade-facilitation barriers. Production capacity, firm characteristics, logistics, demand and competition also influence export performance.

Annex II. List of stakeholders consulted

No.	Name and surname	Institution / position
1	Jeton Karaqica	Prime Minister's Office (PMO)
2	Gurakuq Kastrati	Ministry of Industry, Entrepreneurship and Trade (MIETI) –Quality Infrastructure Division
3	Visar Zakuti	Kosovo Customs, Risk Analysis
4	Besim Mustafa	Kosovo Chamber of Commerce
5	Sytrime Dervisholli	Trade expert / private-sector representative
6	Visar Vokrri	Riinvest Institute
7	Olivera Ceni	CEFTA Secretariat
8	Adnan Hoxha	GIZ – EU4Trade: Accelerating Regional Economic Integration & EU Single Market Access
9	Bajram Cakiqi	Kosovo Customs, Asycuda System Operator

Annex III. Mapping of recommended actions to CRM 2.0 commitments

Recommended action	CRM 2.0 link	Level of action	Timeframe
GENERAL STRATEGIC ACTIONS			
Use CRM implementation as a pathway towards EU Single Market integration	Horizontal CRM 2.0 objective / Growth Plan Pillar II	Strategic / national + regional	Continuous
Prioritise QI investment according to sectors where CRM integration can generate the largest economic gains	Priority Area 1.2; Action 3.9.1	Primarily national	Continuous
Pursue regional recognition proactively while completing all reforms that Kosovo controls nationally	Actions 1.2.1–1.2.3; 1.3.2; 3.8.1	National + CEFTA	Continuous
Advance Kosovo's existing application for observer status under the Common Transit Convention	AP5 / broader CRM trade-facilitation objective	National + international	Continuous / dependent on external agreement
IMMEDIATE ACTIONS			
Accelerate national readiness for regional recognition of conformity-assessment results	Action 1.2.1	Primarily national + coordination with CEFTA	6–12 months
Advance regional recognition of Kosovo's AEO programme	Action 1.3.2; supports AP5 implementation	National + CEFTA	0–6 months / dependent on regional agreement
Operationalise the National Trade Facilitation Committee as a permanent problem-solving mechanism	Priority 1.4 / Action 1.4.2; supports AP5 implementation	National	6–12 months
Map national gaps related to labelling and non-harmonised goods	Actions 1.2.2 and 1.2.3	Primarily national + CEFTA	6–12 months
Support greater transparency and harmonisation of trade-related fees and charges	Action 1.4.1; related to Action 1.4.2	National + CEFTA	6–12 months / ongoing

Strengthen domestic support to businesses for reporting and pursuing NTMs and operationalising AP7	Action 1.4.2; Action 3.8.1	Primarily national + CEFTA follow-up	6–12 months
Establish a central mechanism for monitoring CRM implementation	Horizontal CRM implementation	National	6–12 months
MEDIUM-TERM ACTIONS			
Accelerate operationalisation of the market-surveillance framework and strengthen inspection capacity	Action 1.2.4	Primarily national + regional cooperation	1–2 years
Develop a fully risk-based and digitally connected market-surveillance system	Action 1.2.4; Priority 3.2	National + regional	1–3 years

Annex IV. Gap Analysis Matrix

Commitment	Current Status	Gap	Responsible Institution(s)	Priority
CRM 1.2.1 - Recognition of conformity-assessment results for industrial products	Kosovo has established the main QI institutions and domestic testing and inspection capacity. Work on the regional framework for recognition of conformity-assessment results is ongoing.	Kosovo is not yet fully prepared to benefit from regional recognition. Domestic conformity-assessment capacity remains incomplete, including the absence/limited availability of accredited certification capacity in relevant sectors. Further alignment with applicable EU acquis and stronger international recognition of the accreditation system are required.	MIETI – QI Division; Kosovo Accreditation Directorate (KAD); Kosovo Standardisation Agency (KSA); Metrology Agency; conformity-assessment bodies	High
CRM 1.2.2- Harmonisation of labelling rules for chemical and other products	Relevant product legislation exists, but implementation of this specific CRM action remains at an early stage.	Kosovo needs a systematic mapping of domestic labelling requirements against the relevant EU acquis and emerging CEFTA framework, particularly for chemicals and related products, followed by an implementation plan for identified divergences.	MIETI – QI division, relevant competent product authorities; Market Inspectorate	Medium–High
CRM 1.2.3 - Acceptance of goods in non-harmonised sectors	Regional arrangements are still being developed and the mechanism is not yet operational.	Kosovo has not yet systematically mapped the national legislation, product categories, competent authorities and administrative procedures that will be affected. National preparation can therefore advance while the regional arrangement is being finalised.	MIETI; Market Inspectorate; relevant product authorities	Medium–High
CRM 1.2.4 - Cooperation on market surveillance	Kosovo has strengthened the legal and institutional framework for market surveillance. Cooperation and information exchange between the Market Inspectorate and Customs has begun. EU4Trade is also supporting development of regional procedures for exchange of information on unsafe and non-compliant products.	Operational capacity remains constrained by specialised technical expertise, risk-assessment capacity and digitalisation. Cooperation among market surveillance, QI institutions and Customs needs to become more systematic, alongside stronger regional exchange of product-safety information.	Market Inspectorate; MIETI – QI Division; KAD; KSA; Metrology Agency; Kosovo Customs	High
Quality-infrastructure readiness underpinning CRM Priority 1.2	The core QI pillars: standardization, accreditation, metrology, conformity assessment and market surveillance, are institutionally established	The main gap is increasingly operational rather than institutional: limited specialised capacity, incomplete conformity-assessment services, international-	MIETI – QI Division; KAD; KSA; Metrology Agency;	High

	and substantial legal approximation has taken place.	recognition constraints and insufficient coordination across the QI system reduce Kosovo's readiness for mutual recognition.	Market Inspectorate	
CRM 1.4.1 - Harmonisation, reduction or removal of trade-related fees and charges	Kosovo has made progress in trade facilitation, while CEFTA-wide evidence indicates that fees and charges remain uneven across regional markets.	Kosovo exporters may continue to face different charges and inspection-related costs across CEFTA markets. Further regional harmonisation, transparency and monitoring are required; Kosovo's ability to resolve this unilaterally is limited.	MIETI - Trade Department; relevant regulatory authorities; Kosovo Customs where applicable	Medium
CRM 1.4.2- Identification and removal of NTMs and trade-distorting practices	Businesses can report trade irregularities and barriers through the existing CEFTA reporting platform and can also raise issues through MIETI and business associations. However, stakeholder interviews indicate that use of the formal CEFTA reporting mechanism remains limited.	Reporting requires businesses to provide sufficient evidence and can involve considerable administrative effort, while firms have limited incentives to invest time and resources in documenting individual cases. Domestic support to businesses for identifying, documenting and substantiating NTMs, and for following up cases through CEFTA mechanisms, remains insufficient.	MIETI – Trade Department; Kosovo Chamber of Commerce; relevant business associations and regulatory institutions	High
AP5 – National coordination of trade-facilitation measures	AP5 has been ratified. A National Trade Facilitation Committee exists as the appropriate coordination mechanism, but stakeholder evidence indicates that it is not functioning effectively as a regular problem-solving platform.	The NTFC requires operationalisation through regular meetings, clear institutional representation, private-sector participation and systematic monitoring and follow-up of identified trade barriers.	MIETI- Trade Department; relevant regulatory/border agencies; business representatives	High
AP5 / CRM 1.3.2 – Mutual recognition of AEO programmes	Kosovo has an operational AEO programme. Regional work towards wider recognition of AEO programmes is ongoing, with EU4Trade supporting CEFTA-level recognition, coordination and risk-management activities.	Full benefits depend on regional recognition and implementation by other CEFTA Parties. Kosovo should maintain domestic readiness and strengthen practical benefits for AEOs while pursuing regional recognition.	Kosovo Customs; MIETI –Trade Department	Medium
AP6 / CRM – Freedom to provide services	AP6 has been ratified, providing the formal framework for liberalisation of trade in services. Implementation work is also taking place through individual CEFTA Decisions; EU4Trade, for example, supports implementation of Decision 6/2024 on services	A systematic national stocktake is needed to identify remaining authorisation, licensing and administrative requirements affecting cross-border service provision and determine which restrictions can be addressed nationally. Institutional responsibilities for implementation and	MIETI- Trade Department; relevant sector regulators	High

	supplied by travel agencies and tour operators.	monitoring also need to be clearly mapped.		
CRM 3.2 / SEED+ – Digital information exchange supporting market surveillance	SEED+ is operational and supports regional data exchange. EU4Trade is supporting interoperability and the development of procedures for systematic exchange of information on unsafe and non-compliant products, including through SEED+.	The opportunity is to extend digital information exchange beyond customs functions and more systematically integrate market-surveillance information, risk profiles and product-safety data into regulatory enforcement.	Market Inspectorate; Kosovo Customs;	Medium
CRM implementation monitoring and institutional coordination	CRM implementation responsibilities are distributed across ministries and agencies and coordination occurs through existing government and regional structures.	There is no sufficiently systematic national mechanism that assigns ownership for each CRM commitment, tracks milestones and deadlines, identifies implementation delays and escalates unresolved cross-institutional issues.	Office of the Prime Minister / designated Growth Plan– CRM coordination function; MIETI; responsible line institutions	High
CRM 3.9.1 / structured private-sector participation	Business associations participate in policy dialogue and raise trade barriers with public institutions, while EU4Trade also supports structured public-private dialogue in selected CEFTA areas.	Business engagement remains insufficiently institutionalised across CRM implementation. Feedback from firms should be systematically collected, documented and linked to NTM monitoring, AP7 implementation and Kosovo's positions in CEFTA structures.	MIETI; Kosovo Chamber of Commerce; business/export organisations; NTFC	Medium-High