



USAID
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SUPPORT FOR BREZOVICA RESORT DEVELOPMENT PROJECT



PROJECT FINAL REPORT

**Purchase Order
AID-167-O-15-00015**

Huron
CONSULTING GROUP

May 15, 2015

SUPPORT FOR GOK BREZOVICA RESORT DEVELOPMENT PROJECT

PROJECT WORKPLAN

FEBRUARY 27, 2015 – MAY 15, 2015

PURCHASE ORDER NUMBER AID-167-O-15-00015

HURON CONSULTING GROUP

MAY 15, 2015

DISCLAIMER

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I. Background & Overview

In order to ease fiscal constraints, create jobs and modernize critical infrastructure, the Government of Kosovo (GOK), like many governments across the world, has turned to Public-Private-Partnerships (PPP). Although PPP hold the promise of increasing the supply of infrastructure without overburdening public finances, these are highly complex policy instruments requiring specialized expertise and skills. Consequently, and despite some notable exceptions, such as the Pristina International Airport concession, the GoK has struggled over the years to identify, structure, and implement effective PPP projects at both the central and municipal levels.

An erratic deal flow, coupled with failed projects and contract governance challenges, has led to a steady decline in investor confidence, which further threatens the country's ability to attract much needed private investment and expertise into its public infrastructure and services. Within this context, Kosovo is desperately in need of a project which – like the Airport PPP before it- can create a demonstration effect, attracting private investment, generating jobs, and providing both a replicable model for private sector-led infrastructure investment, as well as confidence in PPP within the GoK.

The Brezovica Resort Development Project (BRDP) is that project. Declared a national priority project by the GoK in February, 2012, the project aims to engage an experienced private operator/developer to design, build, finance, operate and maintain a world-class, year-round mountain resort on 3364 hectares of land located primarily within the Sharr National Park, adjoining the municipality of Strpce. Viewed as an important trigger for private-sector-led sustainable economic growth, potentially creating thousands of new jobs in the Strpce Municipality and throughout Kosovo, the project also represents the country's first effort at creating a P4 (public-public-private-partnership), unifying the interests of the local population in Strpce with those of the rest of Kosovo.

Given Kosovo's limited experience in implementing PPP projects, and due to the acutely complex nature of executing a transaction of this magnitude, USAID has been providing critically important technical assistance to the BRDP Inter-Ministerial Steering Committee (ISC) in all activities relating to the structuring, implementation and management of the project. After assisting the ISC in transaction structuring and implementing a successful international procurement, in December 2014, the GOK awarded a 99-year design-build-finance-operate-maintain contract to a French consortium led by the world-renowned ski operator Compagnie des Alpes. The selected bidder committed to a phased investment of €410 million to develop an environmentally sustainable mixed-used resort facility that is expected to create upwards of 3050 jobs, while likewise attracting tourism to the region.

Huron Consulting Group was engaged through this Purchase Order to assist all stakeholders to ensure that this investment commitment materializes. To this end, Huron's activities under this Purchas Order were focused on two critical areas:

1. **Contract Execution:** The first milestone involved ensuring that the Parties to the Agreement would comply with all requirements necessary to formalize the PPP Agreement. After both the private partner and the GoK successfully fulfilled a number of technical and legal conditions precedent, this milestone was successfully met on April 14, 2015, when the Parties executed the PPP Agreement.
2. **Assistance in Launching the Transition Period:** The second critical activity related to assisting the Parties to successful launching the 180-day Transition Period. Prior to the entry into the force of the Agreement, the parties must successfully fulfill a number of critical conditions precedents, such as the private partner evidencing financial close and the GoK having successfully taken ownership of the land and facilities required for BRDP. To this end, Huron assisted the Parties in developing a Transition Management Plan and identifying requirements that will need to be finalized prior to the PPP Agreement Effective Date.

II. Work Performed

A. Outcome

As envisioned in the work plan, at the end of the period of performance of this Purchase Order, the signatories to the PPP Agreement finalized negotiations, fulfilled all conditions precedent, and duly executed the PPP Agreement. Additionally, with USAID assistance, the Parties have developed and agreed to a Transition Management Plan that aims to ensure the timely fulfillment of all conditions precedent to the Entry into Force of the PPP Agreement.

B. Key Activity Areas

Huron provide on-site and off-site technical assistance and professional advisory services to the MTI, ISC, PIU and other relevant stakeholders on all activities required to lead to the successful execution of the BRDP PPP Agreement. Specific activities included:

Activity 1: BRDP Project Management

Huron provided overall project management services to the ISC, advising on the execution of all activities needed to successfully execute the PPP Agreement and initiate the Transition Period. This involved working closely with the PIU and ISC to:

- i) manage project execution,
- ii) monitor, mitigate and manage project risks, and
- iii) manage stakeholders and communications strategies.

Activity 2: Transaction Advisory Services

Huron also provided a full suite of transaction advisory services, counseling the ISC, PIU, MTI and other relevant stakeholders on transaction implementation, regulatory framework, project partnership issues, contract governance and oversight systems, etc. Specific tasks included:

Support to ISC during PPP Contract Negotiations & Contract Formalization

Huron provided extensive support to the MTI, ISC, and PIU in the negotiation and finalization of the terms and conditions of the BRDP PPP Agreement with the selected bidder. This included, amongst others, providing ongoing advisory assistance with regard to the following:

- i) preparation and participation in public outreach efforts to promote awareness about the project (such as the community outreach activities undertaken on March 3 in Strpce municipality);
- ii) negotiation and preparation of definitive PPP Agreement;
- iii) Supporting negotiations between the GoK and representatives of the Serbian community; and
- iv) providing advisory services to the ISC regarding contract review and approval.

Likewise, Huron provide extensive technical assistance and advisory services to the all relevant stakeholders to verify compliance with conditions precedent to the formalization of the BRDP PPP Agreement, including the following:

- i) review of incorporation documents;
- ii) review of shareholder requirements and transfers;
- iii) review of preliminary financing agreements;
- iv) review of compliance with eligibility criteria;
- v) ongoing review / revision of the draft master plan; and
- vi) support and professional advisory services to the ISC related to the review of conditions precedent to contract formalization.

Support to ISC in Preparing for the Transition Period

Following the successful execution of the PPP Agreement, Huron likewise provided guidance and support to the MTI, ISC, PIU and other relevant stakeholders in preparing a Transition Plan. This included the following:

- i) developing a general Transition Period project management plan and implementation timeline; and
- ii) providing ongoing coordination with the selected bidder/private partner to ensure the successful execution of transition activities;

Activity 3: Asset Preparation / Sponsor Support

Huron likewise provided advisory services to the ISC, PIU and MTI regarding asset transfer issues, such as property ownership/expropriation and asset transfers. This included developing strategies to minimize expropriation requirements, working to address stakeholder concerns about asset transfers, developing terms of reference to contract independent experts to undertake property appraisals and supporting the ISC and PIU on strategies to expedite processes related to the disposition of unwanted BRDP assets.

Activity 4: Stakeholder Management & Strategic Messaging

Huron provided ongoing (daily) advisory services to the ISC, PIU, and MTI relating to public messaging and communication strategies, working to enlist project support from impacted communities, the public-at-large, and investors/creditors. This included continued regular dialogue with a wide variety of government and municipal officials to ensure their continued buy-in to BRDP. Specific tasks included working with BRDP public relations teams to implement strategic messaging campaigns and regularly participating in stakeholder meetings and outreach efforts.

Activity 5: BRDP Linkages with USAID projects

Given the potential transformative impact of BRDP on the economy of Kosovo, as well as the need to prepare both Strpce and the broader economy to meet the needs of a world-class resort, Huron also provided USAID with general parameters to assist in identifying potential linkages with other projects.

C. Deliverables / Attachments

Key deliverables attached to this report include the following:

- 1.) Final BRDP PPP Agreement [including Draft Master Plan]
- 2.) BRDP Transition Management Plan and Gantt Chart
- 3.) Project Linkages Overview
- 4.) Other



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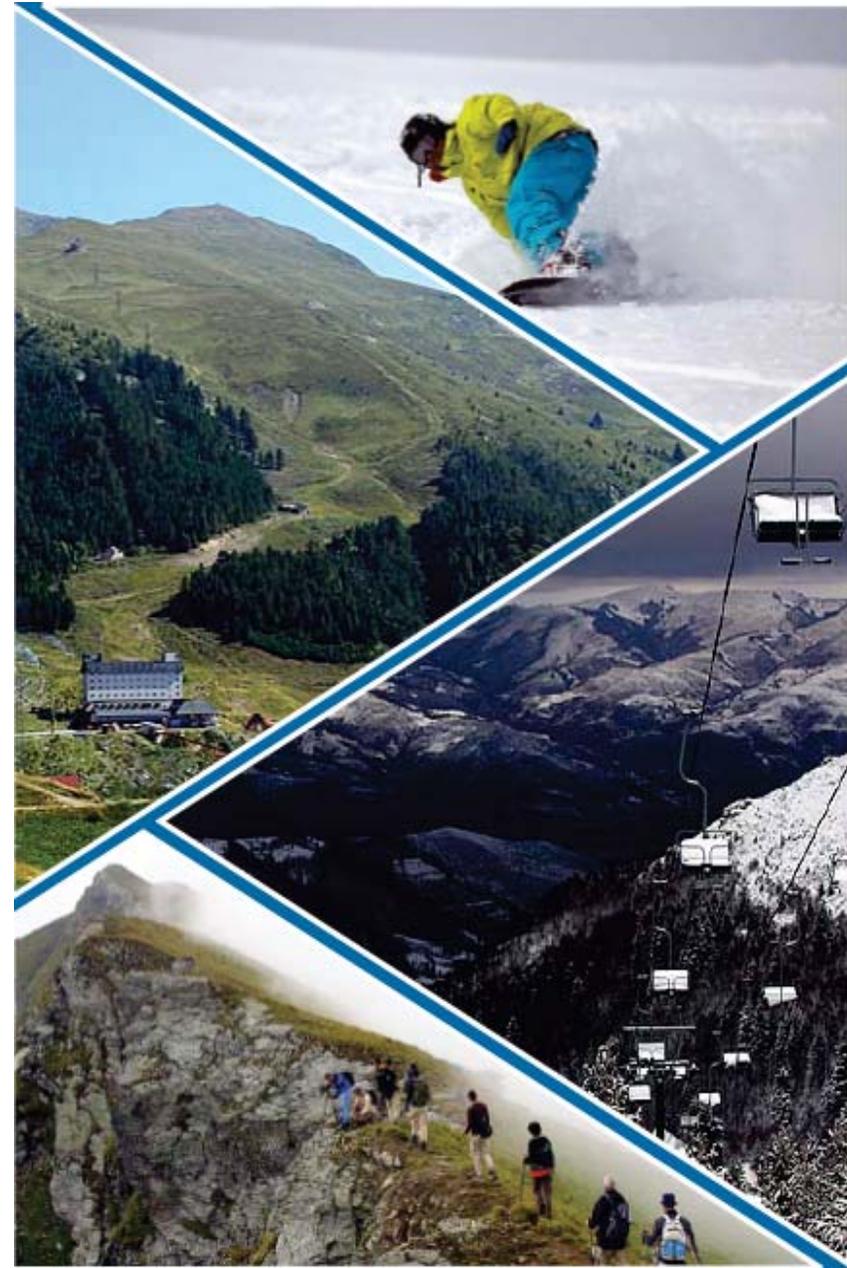


BREZOVICA

Resort Development Project

CONTRACT FORMALIZATION

07 April 2015
ISC Meeting Nr. 12



Government Decision 09/62
BRDP designated a national priority and the Inter-Ministerial Steering Committee (ISC) established to implement Project

ISC Approval
of
Baseline
Concepts

Issue Request for
Expressions of Interest

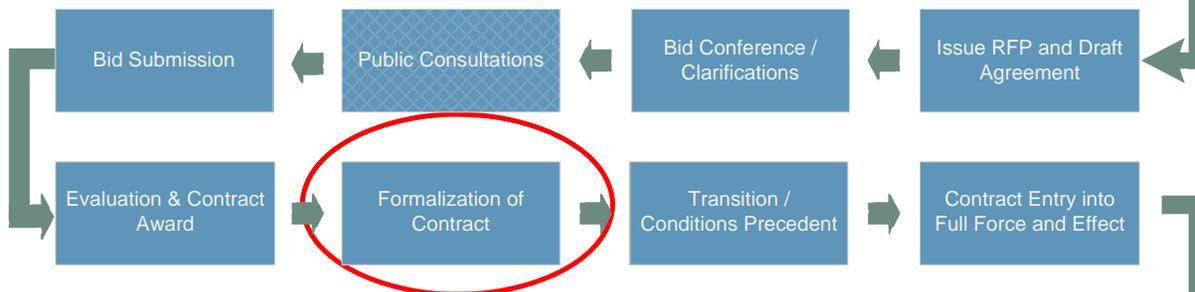
Roadshows /
Investor Feedback

Receive / Evaluate
Expressions of Interest

Define / Approve
procurement
parameters

Reassess BRDP
Strategy

Project abandoned or public authorities
pursue alternate development strategy



Contract Governance and Oversight
Ongoing performance monitoring, enforcement, relationship management, dispute resolution, etc.

- Definitive Contract Award Date: **December 08, 2014**;
- Next step is the formalization of the BRDP Contract (90 days from Definitive Award Date);
- Bidder has complied with all conditions precedent to contract formalization;
- Contract execution does **NOT** convey full rights and obligations to the parties, but initiates the **180-day Transition Period** in which both parties must meet a variety of prescribed conditions precedent
- RFP stipulated Conditions Precedents must be met or waived for the BRDP contract to enter into full force and effect



Brezovica Resort Development Project

CONDITIONS PRECEDENT TO CONTRACT FORMALIZATION

CONDITIONS PRECEDENT

RFP §VII.3 Conditions Prior to Contract Formalization

Requirement	Action	Compliance	
Incorporation of SPV (within 21 days of Definitive Award Date, in accordance with §VII.3.1 of RFP)	On December 24, 2014, Brezovica Resort, LLC incorporated as an independent legal entity in Kosovo with an authorized charger capital of €100,000 Euro .	<input checked="" type="checkbox"/>	Validated in incorporation documents
Shareholder Requirements (§VII.3.2)	No share transfers to date. MDP retains controlling interest in Private Partner	<input checked="" type="checkbox"/>	Validated in incorporation documents
Confirmation of Legal Eligibility and Shareholder Disclosures (§VII.3.3)	Submitted on March 31, 2015	<input checked="" type="checkbox"/>	Affidavits
Draft Master Plan document (§VII.3.4)	Draft Master Plan underwent iterative process, with SE Group reviewing on behalf of PIU. Final version incorporates Grantor comments complies with RFP and contract requirements. Definitive Master Plan will be submitted as CP to contract entry into force during Transition Period	<input checked="" type="checkbox"/>	Draft MP included as Annex 2 of Contract
Other: Requested Additional information regarding financing plan	Summary of financing progress	<input checked="" type="checkbox"/>	Information and letters of support submitted

FINANCING PLAN

- Although cost and revenue estimates deemed very reasonable by technical experts, lack of specificity about financing plan considered a weakness of the proposal;
- Financing cannot be fully defined until the contract has been legally executed (credit institutions will only commit to funding *after* contract is signed);
- Private Partner evidenced significant advancement in defining financing sources;
- Financial close is a condition precedent to the entry into force of the Contract;
- §VII.4.1.b of RFP establishes requirement for Private Partner to evidence financial close **prior to entry into force of the contract**, so minimal risk to Grantor in moving forward.

Estimated Phase 1 Financing Plan

Equity	€ 20,450,000
Debt/TPF	€143,837,000
Total	€ 164,287,000

PHASE 1 INVESTMENT PROGRAM	€000
ACCOMMODATION FACILITIES	70,532
SKIING FACILITIES	57,762
Slopes earthworks	6,003
Lifts	30,500
Artificial snow network	9,410
Technical buildings	1,320
Equipment	825
Indications	440
Grooming engines	1,540
Earthworks engines slopes	440
Avalanches protections	2,640
Ticketing	385
Exploitation material	275
Sledging Slopes	132
Night Skiing	180
Commercial Buildings on slopes	1,600
Engineering/Consulting studies	2,072
FOUR SEASON FACILITIES	15,603
Aquapark	13,900
Other Sports Equipment	1,703
RESORT INFRASTRUCTURE	13,890
Roads	2,290
Parking	6,500
Earthworks and Retained Wall	2,710
Electricity	5,000
Potable Water	1,550
Sewage	2,340
TOTAL INVESTMENT (PHASE 1)	164,287

FINANCING PLAN

Sources	Entities	Estimated Investment
Utility Service Providers / Off-Take	<ul style="list-style-type: none"> Veolia Others 	€ 8 million [off-take agreements]
Supplier Finance / Industry	<ul style="list-style-type: none"> POMA (Lift Manufacturer) MND (snow network system, avalanche protection, etc.) 	€ 43 million [equity and financing]
<ul style="list-style-type: none"> Accommodation 	<ul style="list-style-type: none"> Real Estate Companies Hotel operators 	€10 - €12 million [fee + TPF]
International Financial Institutions <i>(Debt / Convertible Debt / Equity)</i>	<ul style="list-style-type: none"> EBRD Proparco / Agence Française de Développement (AFD) KfW / DEG 	<i>Up to €100 million [debt and equity]</i>
Commercial Banks <i>(Debt / Convertible Debt / Equity)</i>	<ul style="list-style-type: none"> Procredit Bank Kosovo BKT (conditional Lol) IS Bankasi 	Up to €15 million [debt / mezzanine] Amount TBD [debt / mezzanine] Amount TBD
Equity Partners	<ul style="list-style-type: none"> MDP <p>Expressions of Interest:</p> <ul style="list-style-type: none"> MMP (Maulin Montagne Participation) La Folie Douce. Limak Fosum/Thomas Cook 	€8 - €10.2 million
Other	<ul style="list-style-type: none"> C.R.E.A.M. Europe Project registered and rated through Global Infrastructure Basel (GIB) Foundation Deloitte Financial Advisory Services retained to assist with financial close 	<ul style="list-style-type: none"> €2 million €5 million (equity/conv. debt) Amounts TBD (total debt/equity offer expected at €70 million)



Brezovica Resort Development Project

CONTRACT TERMS & CONDITIONS

CONTRACT

- Contract regulates the relationship between Private Partner and Grantor (ISC). It does NOT regulate “*framework*” issues such as valuation of assets, expropriations, lease distributions, etc.;
- Draft Contract incorporated as Part B of RFP and underwent multiple iterations of amendment and clarification during procurement process;
- Many key components of BRDP Contract based on Airport DBFOM Agreement to facilitate contract interpretation and jurisprudence;
- Amendments made after contract award focused on:
 1. Procedural elements (review and approvals of key documents);
 2. Correction / clarification of unclear provisions;
 3. Flexibility regarding expropriation and ownership requirements;
 4. Clarification of treatment of third party ownership rights in case of termination
 5. Elaboration / Elimination of Technical Annexes

BRDP Contract

- Regulates relationship between Private Partner & Grantor (ISC)

Internal PPA

- Regulates relationship between ISC and constituent members (i.e., Municipality)



BRDP CONTRACT

- Recitals
- Article 1: Definitions & Interpretations
- Article 2: Rights & Conveyances
- Article 3: Commencement & Term
- Article 4: Lease Payment
- Article 5: Site
- Article 6: Private Partner Undertakings
- Article 7: Grantor Undertakings
- Article 8: Representations and Warranties
- Article 9: Indemnification
- Article 10: Insurance
- Article 11: Force Majeure
- Article 12: Political Event
- Article 13: Termination
- Article 14: Handback
- Article 15: Assignment
- Article 16: Dispute Resolution
- Article 17: Governing Law
- Article 18: Waiver
- Article 19: Miscellaneous
- Article 20: Notices
- Article 21: Language
- Article 22: Limitation of Liabilities
- Article 23: Exclusive Remedies



Annexes:

1. Site Description
2. Draft Master Plan
3. Resort Services
4. Master Plan Updates & Amendments
5. Insurance Requirements

KEY PROVISIONS

RECITALS

- Background of Government Decisions, approvals and procurement process, including today's meeting where Private Partner Conditions Precedent to Formalization of Contract are verified.

ARTICLE 1: DEFINITIONS & INTERPRETATIONS

- No substantive changes to Definitions & Interpretations since original version of RFP and draft contract approved.

ARTICLE 2: RIGHTS AND CONVEYANCES

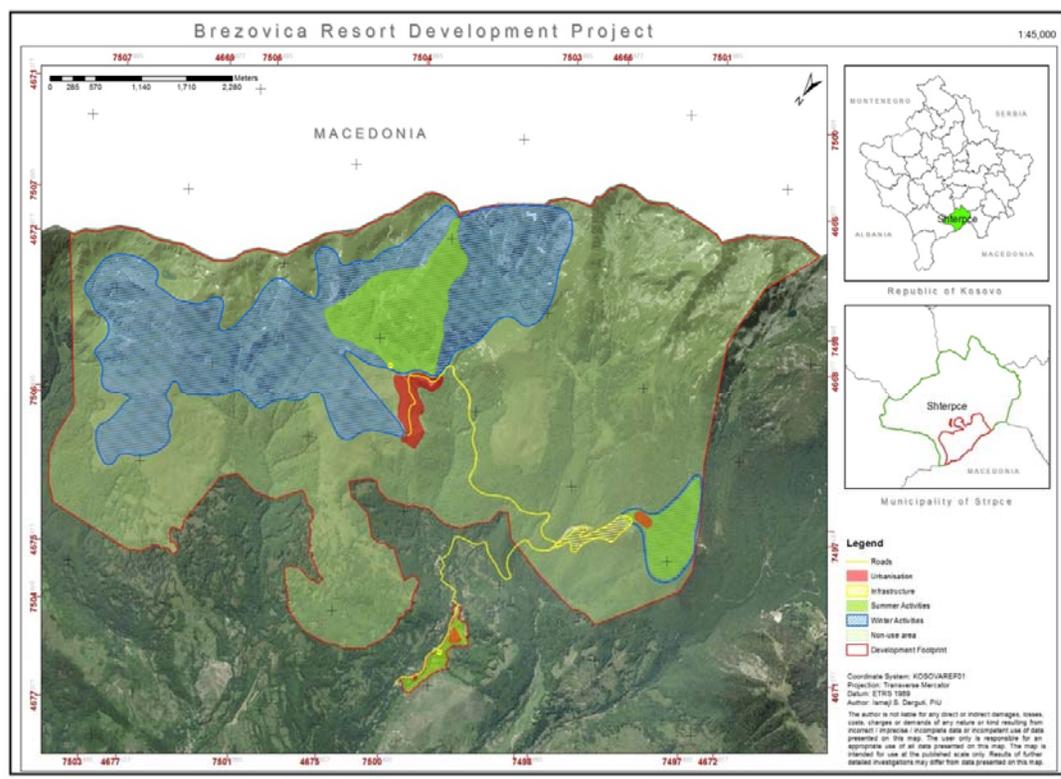
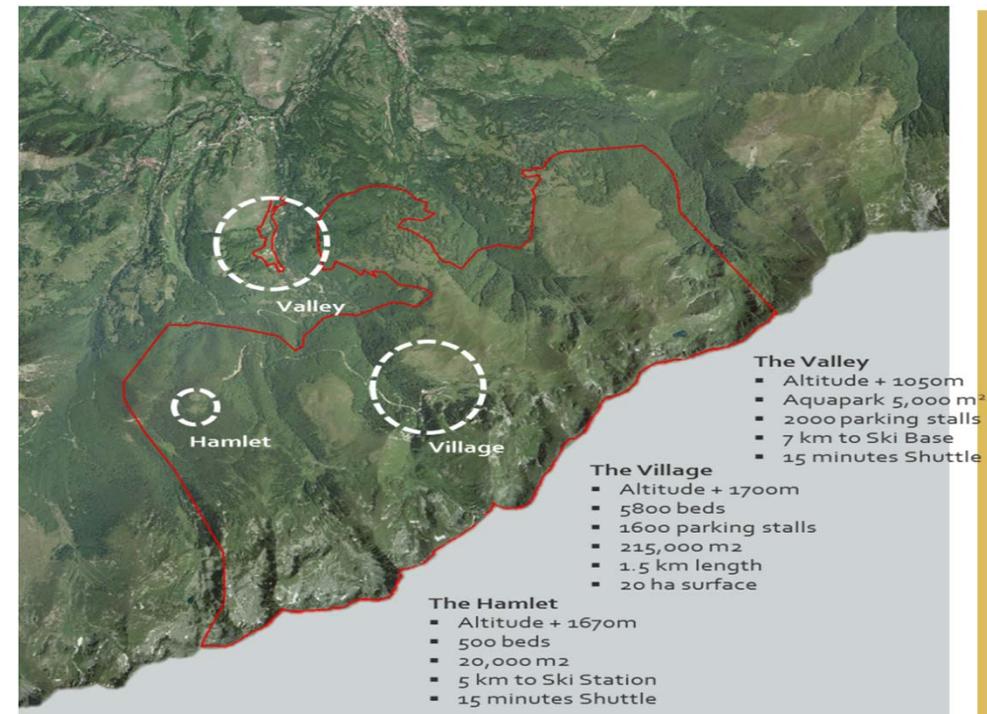
- Grants Private Partner exclusive right to design, build, finance, operate and maintain BRDP within the Footprint for term of agreement, in accordance with terms of the agreement
- Conveys rights via the lease of Land and Facilities
- Allows for transfer of title of Improvements (right of construction), but not of Land and Facilities.



TITLE & TRANSFER

AMENDMENT TO §2.4 OF CONTRACT grants flexibility in terms of expropriation requirements:

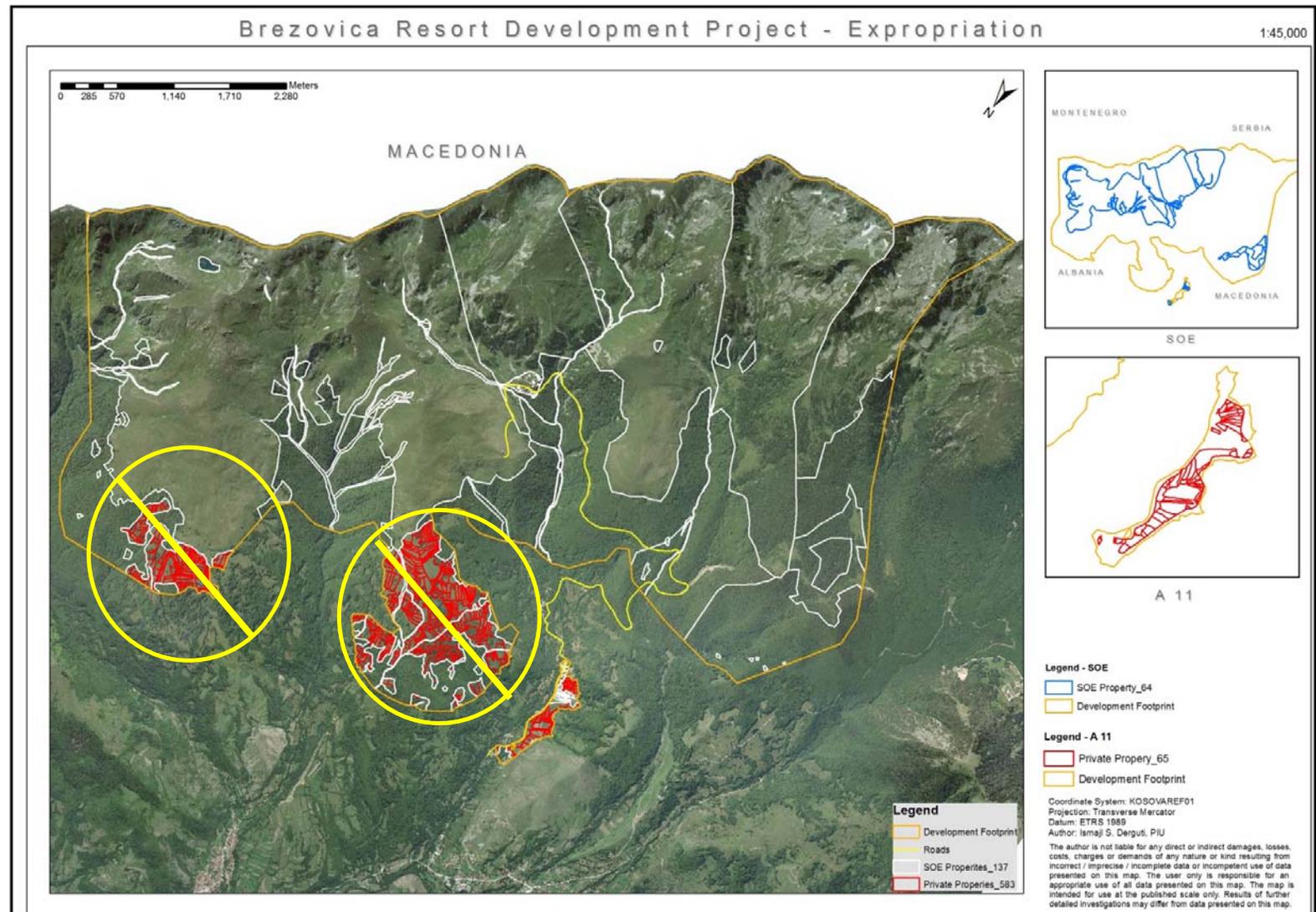
1. Waives obligation for Grantor to hold and retain full and valid title and ownership for land physically located within the Footprint and National Park
2. Allows for expropriated land to be registered in name of GoK and/or Municipality



- The Development footprint covers 3,364 ha, but Draft Master Plan indicates use of approximately 1,051 ha. More than 2,200 ha to be “unused” and designated for preservation and buffer zones
- Reduces expropriation requirement significantly
- New expropriation requirement:
 - 9.7 ha of private property (-95%)
 - Reduction of 68% in SOE property *

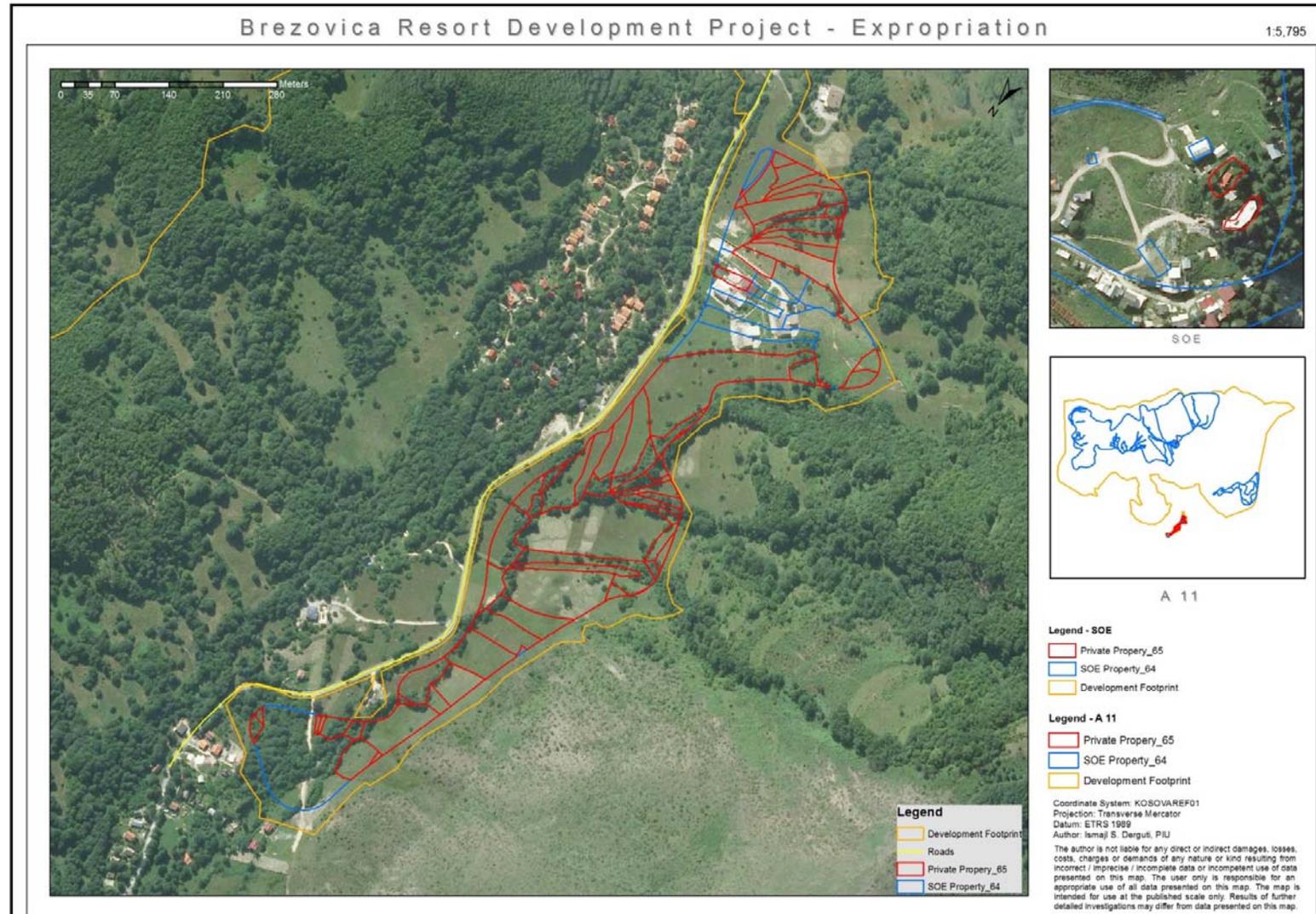
TITLE & TRANSFER

- Due to proposed land usage, no need to expropriate the properties previously designated in Zones C and D
- These zones still remain regulated by Spatial Plan (and zoning must be enforced by Grantor)



TITLE & TRANSFER

- There is still a need to execute expropriations in zone A-11
- 9.7 total ha (two residences)



KEY PROVISIONS

ARTICLE 3: COMMENCEMENT & TERM

- **Effective Date (3.1.1):** Contract does NOT enter into full force and effect until compliance with or waiver of Conditions Precedent stipulated in Clause VII.4 of RFP
- **Termination (3.1.2):** Right of both parties to terminate agreement if other does not comply with CP's
- **No Liability (3.1.3):** If Contract does not enter into full force and effect, the Grantor shall not be liable to the Private Partner for any loss or financial cost whatsoever
- **Transition Period (3.1.4):** 180 days to fulfill or waive CPs. Obligation to cooperate and coordinate.
- **Term and Extension:** 99-years

ARTICLE 4: LEASE PAYMENT

- Beginning second anniversary of Effective Date, Private Partner pays €100,000 per year (inflation adjusted)

ARTICLE 5: SITE

- Acceptance "As Is" and clearances and consents
- Pre-existing environmental conditions (Grantor retains liability for pre-existing conditions).



KEY PROVISIONS

ARTICLE 6: PRIVATE PARTNER UNDERTAKINGS

- Generally stipulates obligations of Private Partner, i.e., to provide facilities and services for a year-round mountain resort to the required standards.
- Some amendments to establish missing procedures for submission, review and approval of Master Plan and Construction Works.
- **6.1 Operations & Maintenance**
 - Defines services and standards
 - Establishes environmental requirements
 - Stipulates Land Use restrictions, including zoning plan, prohibition against commercial logging, etc.
 - Addresses breaches and establishes ability of Grantor to execute *Performance Bond*
- **6.2 Construction Works & Improvements**
 - Construction obligations regulated by duly approved Master Plan
 - Construction works must commence within 120 days of Effective Date
 - Procedures for and acceptance of works
 - Remedies in case of breach (including execution of Construction Works Security)
- **6.4 Manuals & Plan**
 - Key plans include Master Plan, Environmental Management Plan and Emergency Plan
- **6.5 Reports and Information**
 - Annual reporting requirements (financial, environmental, shareholders, etc.)
- **6.7 Shareholder Requirements**
 - Share transfers require Grantor approval
 - Restrictions on distributions during construction
- **6.8 Financing Plan**
 - Private Partner must inform Grantor of material changes in financing plan
- **6.9 ISO Certification**
- **6.10 Inspection**
 - Right of PMU to inspect
- **6.11 Performance Securities**
 - O&M Security: €250,000 per year
 - Construction Works Security: 10% of value of Improvements

KEY PROVISIONS

ARTICLE 7: GRANTOR UNDERTAKINGS

- Generally stipulates obligations of Grantor, i.e., to cooperate and provide vacant enjoyment so that Private Partner can execute its responsibilities.
- **7.1 No Interruptions**
 - Save and except in the case of emergencies, the Grantor must ensure that there is no interference which would impede ability of Private Partner to fulfill its obligations
- **7.2 Obligation to cooperate on all activities** (including permits, relevant consent, approvals, etc.)
- **7.3 Vacant Enjoyment**
 - Grantor must facilitate Private Partner's ability to utilize the Footprint and Facilities, without interference
- **7.4 Ancillary Infrastructure**
 - Only a general obligation to ensure access to resort. No required public sector investments
- **7.5 Payments**
 - Grantor responsible for payments for expropriations, etc.
- **7.6 PMU**
 - Grantor must establish technically competent Project Management Unit prior to entry into force of contract
 - Amendment made at Bidder request to ensure that PMU includes experience and competent experts in mountain resort design and operations
 - PMU structured and defined in greater detail during the Transition, but is key element to getting to Financial Close



KEY PROVISIONS

ARTICLE 8: REPRESENTATIONS & WARRANTIES

ARTICLE 9: INDEMNIFICATION

- 9.1 Third Party Liability
- 9.2 Breach
- 9.3 Environmental
- 9.4 Effective Date
- 9.5 Vacant Enjoyment

ARTICLE 10: INSURANCE REQUIREMENTS

- Standard coverages. Specific policies, coverage amounts and deductibles detailed in Annex 5
- Use of Proceeds

ARTICLE 11: FORCE MAJEURE

- Standard clause addressing notification, extensions, excuse of performance, etc.

ARTICLE 12: POLITICAL EVENT

- Standard clause addressing changes in law and other political risks, including notifications, extensions, compensation, etc.

ARTICLE 13: TERMINATION

- Critical for purposes of project finance. Conveys certain degree of contingent liability to Government in case of termination.
- Four Basic Causes of Termination:
 1. Force Majeure
 2. Termination by Grantor
 3. Termination by Private Partner
 4. Expiry
- Compensation Calculations at Termination:
 - Standard fair value provisions (modelled on PIA)
 - Two generation removal from liabilities in case of Private Partner breach (due to step-in clause), as well as in case of Force Majeure (due to insurance)
 - Payments subject to budgetary authorizations and appropriations
 - Amendment to §13.7 to clarify rights of third party owners in case of termination

KEY PROVISIONS

ARTICLE 14: HANDBACK

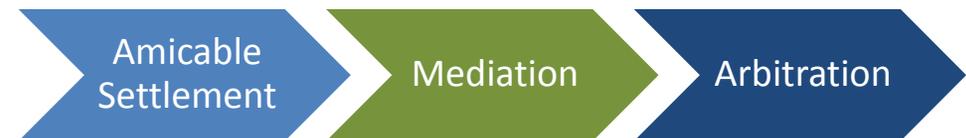
- Standard provisions relating to transfer of assets back to grantor at end of contract

ARTICLE 15: ASSIGNMENT

- Critical clause for financing purposes
- Generally, Parties cannot assign the Contract or related rights to third parties, without consent of others. Nevertheless, Private Partner may assign rights to secure financing for Construction Works
- **Clause 15.4:** Confirms Right of Construction and ability to freely transfer title over “Improvements”
- **15.5 Substitution by Lenders :**
 - Standard Step-In rights (to protect Grantor against contingent liabilities)
 - Allows for lenders to substitute Private Partner in case of default or non-performance
 - Grantor retains right of refusal

ARTICLE 16: DISPUTE RESOLUTION

- Standard three tiered procedure:



- Envisions continuation of Works and Services during disputes

ARTICLE 17: GOVERNING LAW

- Kosovo Law

ARTICLE 18: WAIVER

ARTICLE 19: MISCELLANEOUS

ARTICLE 20: NOTICES

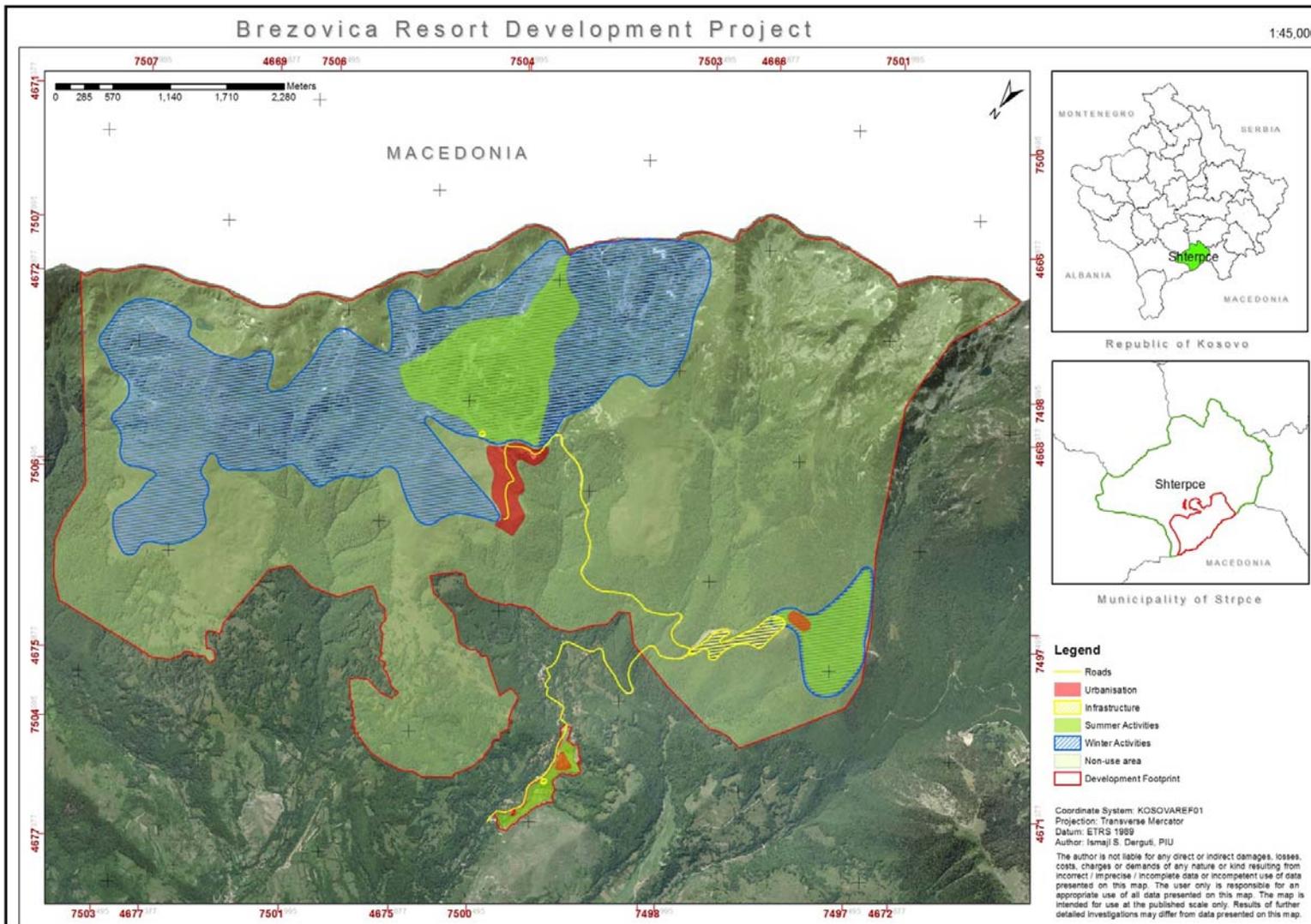
ARTICLE 21: LANGUAGE

ARTICLE 22: LIMITATION OF LIABILITY

ARTICLE 23: EXCLUSIVE REMEDIES

KEY PROVISIONS

ANNEX 1: FOOTPRINT DESCRIPTION & USAGE PLAN



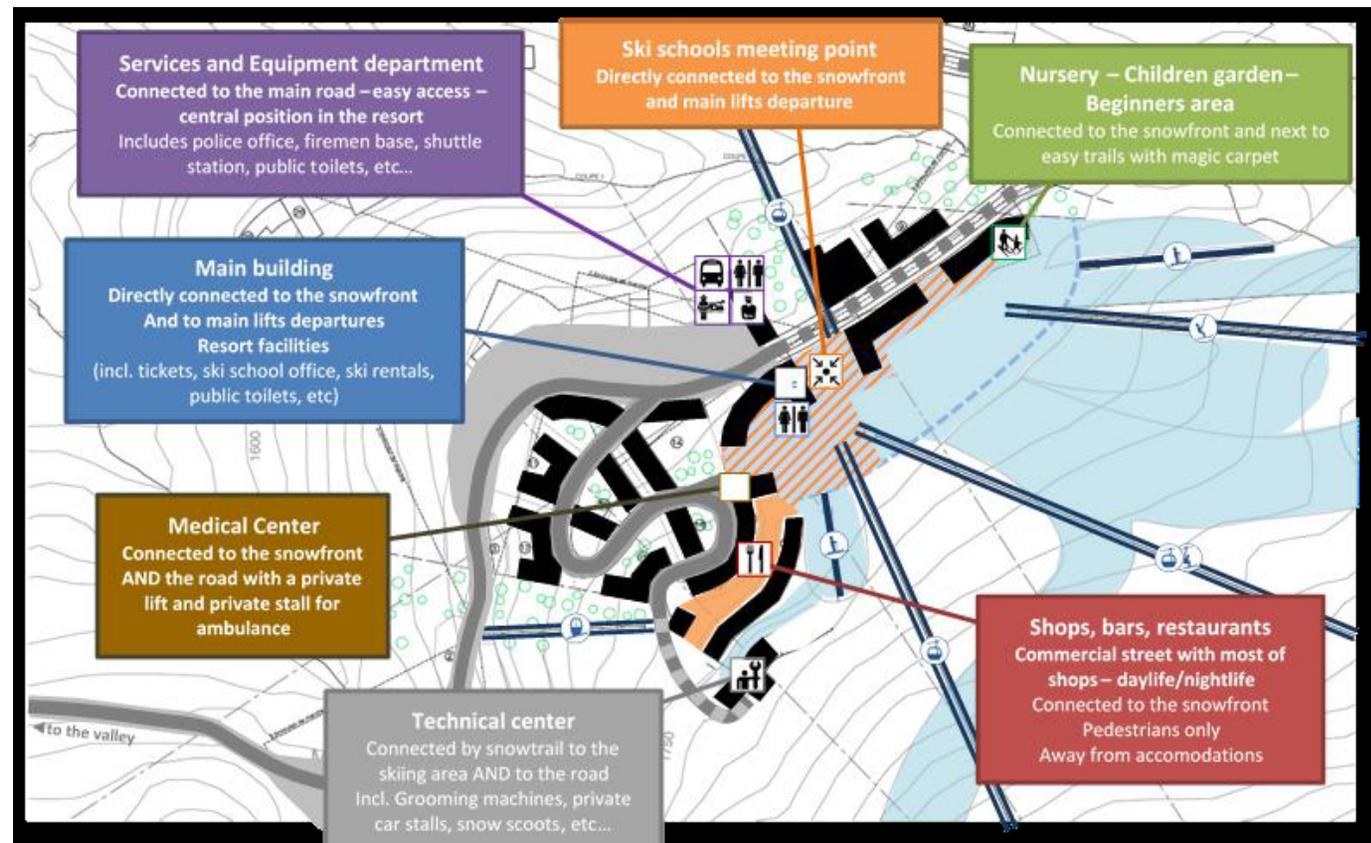
KEY PROVISIONS

ANNEX 2: DRAFT MASTER PLAN

- Underwent multiple reviews and iterations.
- No material changes, just additional information and detail:

- More detailed site planning
- Sections added discussing:
 - resort servicing (refuse management, etc.)
 - emergency services,
 - geotechnical/slope stability in proposed urban areas,
 - avalanche protection
 - Capacity calculations for each of the major ski area functions - ski lifts, ski terrain, skier services building space
 - Parking and transportation demand/capacity calculations / designs (including illustrations evidencing that they are balanced)

- Generally, more comprehensive plan showing Site Usage



- Definitive Master Plan must be submitted as CP to Contract Effective Date

KEY PROVISIONS

ANNEX 3: RESORT SERVICES & STANDARDS

ANNEX 4: MASTER PLAN UPDATES AND AMENDMENTS

- Inclusion of Procedures for Master Plan Updates and Amendments

ANNEX 5: INSURANCE REQUIREMENTS

- Standard project finance provisions
 - Operational Insurance Policies
 - All Risk
 - Business Interruption
 - Comprehensive Operator Liability
 - Employer Liability
 - Construction Insurance Policies
 - Marine Cargo
 - Marine Delay in Start-up
 - Construction All Risk
 - Employer Liability
 - Other (at discretion of Private Partner)
 - Political Risk Insurance



CONCLUSION



- Contract is ready to be signed and given that the formalization does NOT convey full rights and privileges, there is absolutely no risk to moving forward.
- Terms & Conditions aligned with best practice and Airport precedents
- Required signatures:
 - MTI Procurement Officer
 - MTI Permanent Secretary
 - MTI Minister (due to contract size)
 - Other ceremonial signatures from ISC members?
- Once contract is signed, there will be a need to organize for Transition process, in order to adequately address all requirements and considerations

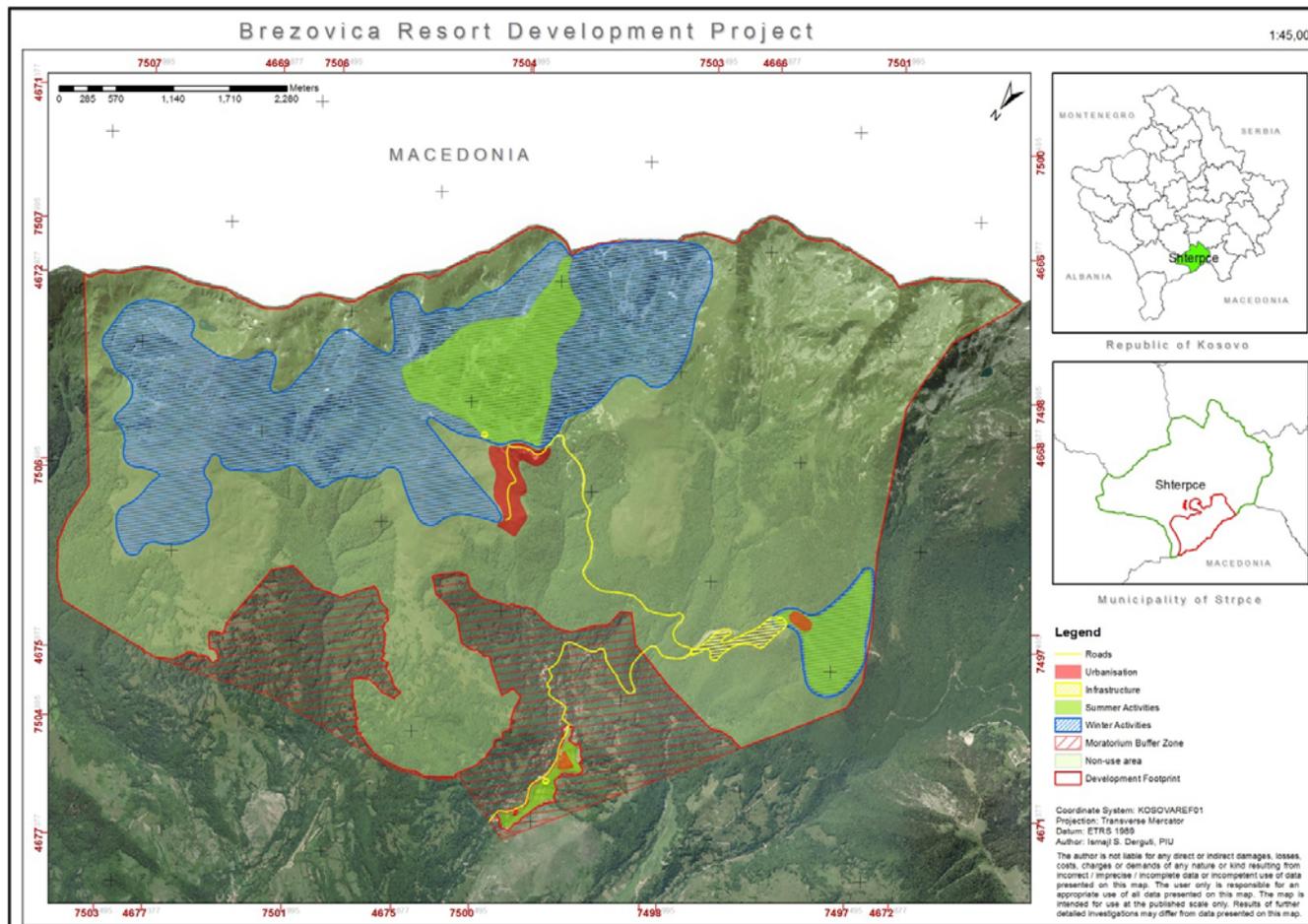


Brezovica Resort Development Project

CONSTRUCTION MORATORIUM

MORATORIUM

- Construction Moratorium established via ISC Decision 03/2013 (25/01/2013) to suspend the issuance of new construction permits in the Construction Moratorium Zone.



- Now that Spatial Plan for “Sharr Mountain” National Park approved and Development Footprint confirmed need to update and modify Moratorium, limiting parameters to Footprint.
- New moratorium should only apply to Development Footprint and is necessary to ensure that there is NO FUTURE DEVELOPMENT within Footprint until entry into force of contract.
- Enforcement is important



TRANSITION MANAGEMENT PLAN



Kosovo Public Procurement No. MTI 204-13-008-612

Jill Jamieson

5/15/2015

Brezovica Resort Development Project

TRANSITION MANAGEMENT PLAN

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Brezovica Resort Development Project

TRANSITION MANAGEMENT PLAN

I. Background & Overview

In February, 2012, the Government of Kosovo declared the Brezovica Resort Development Project (BRDP) a national priority. As a public-private-partnership, the project aims to attract an experienced private operator/developer to design, build, finance, operate and maintain a world-class, year-round mountain resort on approximately 3400 hectares of land located primarily within the Sharr National Park. The project is viewed as an important trigger for private-sector-led sustainable economic growth, potentially creating 3500 new jobs in the Strpce Municipality and throughout Kosovo.

After a competitive international procurement, on April 14, 2015, the Government of Kosovo executed a 99-year Design-Build-Finance-Operate-Maintain PPP Agreement with Brezovica Resorts, LLC, a French-held special purpose entity created with the sole purpose of developing the Brezovica Resort. The private partner has committed to investing approximately €410 million in a phased development outlined in its draft Master Plan.

In accordance with the terms of the Request for Proposals tender dossier (RFP) and PPP contract, both parties are required to fulfill a number of conditions prior to the entry into force of the PPP Agreement. This document presents an overview of Transition obligations and provides a general Transition Management Plan to help the Grantor fulfill its own responsibilities precedent and verify Private Partner conditions precedent.

II. Transition Plan

In accordance with section VII.4 of the Request for Proposals Tender dossier, within a period of one hundred eighty (180) days following the formalization of the Contract, the Parties are required to fulfill a number of conditions precedent to the P3 Agreement entering into full force and effect. Given that the P3 Agreement was formalized on April 14, 2015, the 180 day transition period is scheduled to expire on October 12, 2015 (assuming 180 calendar days) or December 23, 2015 (assuming 180 working days). In the event that either Party fails to fulfill its Conditions Precedent, the Contract grants the Parties certain discretionary powers to terminate the Agreement, waive the obligation, or mutually agree to extend the compliance period.

While the vast majority of key transition responsibilities are defined in section VII.4 of the RFP, some additional obligations were identified during the procurement and negotiation stage. These additional requirements are likewise contemplated herein.

A. Transition Management

In order to ensure an effective and fluid transition, both the Grantor and Private Partner should commit to a coordinated work plan under the leadership of a transition management team. Regularly scheduled meetings should be held to ensure progress against the work plan, as well as to identify potential risks and issues that threaten the successful achievement of Transition milestones. Moreover, specific working groups and work plans should be formed for different activity areas and key tasks.

The PIU/PMU, acting on behalf of the ISC, will be responsible for facilitating and ensuring Grantor compliance with its Transition Responsibilities, as well as facilitating and overseeing the Private Partner's Transition activities. As such, the PIU/PMU will have a key role in managing and overseeing daily activities during the Transition. The PIU/PMU will maintain, manage and update (as necessary) the master Transition Management Plan.

B. Grantor Obligations

1. Site Availability & Vacant Enjoyment

In accordance with Section VII.4.2.a) of the RFP, the Grantor is required to have taken all necessary actions to assume full legal right and title to the Land and Facilities within the Development Footprint, delivering to the Private Partner a certificate whereby the Grantor confirms the delivery of Vacant Enjoyment to the Private Partner as of the Contract Effective Date. Nevertheless, Article 2.4 of the PPP Agreement allows the Parties to waive this requirement in certain instances when land located within the both the Development Footprint and National Park has been duly designated by the approved Master Plan for preservation, non-use, and/or resort buffering. This right to waive certain expropriation obligations requires the Grantor to amend and adjust its previously initiated expropriation program.

Key tasks and activities relating to site availability and property transfers include the following:

- i) **Confirmation of Expropriation Requirements:** The Private Partner has indicated that it will waive the requirement that the Grantor hold and retain full and valid title to the majority of privately held properties within the Sharr National Park (specifically those properties designated for preservation, buffer, and/or no use).¹ This waiver, however, will need to be codified and incorporated within the Master Plan and/or PPP Agreement. It is recommended that the waiver notice be drafted and formalized within the first 90 days of the Transition Period.
- ii) **Update Expropriation Elaborate:** Parallel to the legal confirmation of the Expropriation Requirements, the Grantor (working closely with MESP and MOF) should update the expropriation elaborate, eliminating parcels and properties that are no longer subject to expropriation procedures. This task should be completed as quickly as possible and should include an updated review of the associated cadastral records.
- iii) **Legal Review/Opinion of SOE/Municipal Land Ownership Issue:** One element of uncertainty regarding land transfer issues involves a court decision which affirms that land within the Sharr National Park previously registered to socially owned enterprises is legally owned by the Municipality of Strpce. While the court decision is unequivocal, the cadastral records were not updated accordingly, leading to some confusion as to whether these properties require expropriation. In order to minimize the risk of legal disputes and misunderstandings, a legal review should be undertaken to help the Grantor better understand the issues involved. This review should be undertaken at the earliest possible opportunity.
- i) **Property Valuation / Independent Appraisal:** The fair market value of land and properties subject to expropriation will need to be determined in accordance with the Law on Expropriation. Given the multi-ethnic nature of the project and in order to forestall any potential disputes relating to appraisal amounts, representatives from both Pristina and Strpce have agreed that the valuation and appraisal process should be undertaken by a qualified, independent and objective third party. As such, the parties have requested support from the EU

¹ The need to expropriate privately held properties has been reduced by approximately 95% in comparison with original estimates.

to engage an independent appraiser to undertake a valuation of designated land and structures to determine the baseline compensation values for expropriated properties. The use of qualified third parties to inspect and assist in the valuation of private property targeted for expropriation is authorized under Article 21.2 of Kosovo Law No. 2009-03 / L-139 "On Expropriation of Immovable Property". The appraisal process will need to be undertaken in an expeditious manner in accordance with the Expropriation Execution Work Plan in order to allow for the expropriation process to be finalized within the required 180 day period.

- ii) **Finalize Expropriation Procedures / Issue Vacant Enjoyment Certificate:** Working closely with the Ministry of Finance and Ministry of Environment and Spatial Planning to finalize the expropriation procedures, the Grantor shall be required to demonstrate that it holds legal title to all land and facilities within the Development Footprint (unless the requirement is otherwise waived). This involves full compliance with all requirements set forth in Kosovo Law No. 2009-03 / L-139 "On Expropriation of Immovable Property. Prior to the entry into force of the Contract, the Grantor and Private Partner will jointly need to formalize a vacant enjoyment certificate, validating mutual acceptance of satisfactory compliance with the condition precedent set forth in Section VII.4.2.a) of the RFP.

2. Assignment

Section VII.4.2.b) of the RFP stipulates that prior to the entry into force of the PPP Agreement, the Grantor shall have delivered to the Private Partner evidence that all of the rights and obligations of the Grantor or any of its predecessors thereunder have been assigned by to the Private Partner (with the written consent of the counterparty to each such assignment, where applicable). Although to date no legally transferrable rights have been identified, the Grantor should publish a public notice requesting that any valid contract holders with rights and/or obligations related to the Development Footprint submit copies within 30 days to the PIU, so that these can be analyzed and assessed by both the Grantor and Private Partner.² Once a determination has been made regarding the legality and assignability of these contracts, definitive actions can be taken to assign these rights prior to the entry into force of the PPP Agreement.

3. Relevant Consents

Section VII.4.2.c) of the tender dossier stipulates that the Grantor shall have delivered to the Private Partner all Relevant Consents required to be obtained by the Grantor on or prior to the Effective Date, all of which shall be in full force and effect. A definitive list must be developed in coordination with the Private Partner.

The form and content of these approvals and consents will need to be mutually agreed. While the majority of these approvals are contemplated in the Transition Management Plan, given the magnitude of the review and approval process, as well as the need to involve a wide range of authorities and institutions, a specific management plan for each "relevant consent" will need to be developed during the Transition.

4. Project Management Unit

Section VII.4.2.d) of the RFP also requires that prior to the entry into force of the PPP Agreement, the Grantor shall have delivered to the Private Partner evidence that a BRDP Project Management Unit has been duly established and staffed to serve as a daily counterpart to the Private Partner in the execution of the PPP Agreement.

² Assignable contracts may include trash collection, snow removal, or other services contracted by the Municipality and/or GOK related to infrastructure, Facilities, and/or services provided within the Development Footprint.

The PMU is not a mere formality, but a critically important risk element that can materially impact the eventual success or failure of the project. Responsible for contract governance and oversight, the PMU will need to monitor and ensure the timely compliance by both the Grantor and Private Partner with their individual and collective responsibilities. This likewise involves facilitating and assisting with all mutual obligations (i.e., obtaining permits and approvals).

Given the complex nature of the PMU's obligations, the PMU will need to be duly trained prior to the entry into force of the PPP Agreement. This, in turn, means that the PMU should be hired at least a month or so prior to the finalization of the Transition period. Ideally, and where possible, key PMU personnel should be sourced from the PIU or integrated into the PIU during the Transition Period. The cross-fertilization between the PIU and PMU would foster a better understanding of the project, stakeholders and general contract terms, as well as enable the PMU to operate more effectively after entry into force of the PPP Agreement.

Annex 3 presents an initial overview of the PMU structure and requirements. The following summarizes key tasks and activities to be undertaken prior to the entry into force of the Contract:

- i) **Draft/Approve Baseline Contract Governance & Oversight Structure:** Originating from the requirements stipulated in the PPP Agreement, a detailed contract governance and oversight framework will need to be developed. This framework should clearly identify how the relationship between the Grantor and Private Partner will be governed, including oversight responsibilities, reporting structures, requirements of the PMU, and general procedures. It will likewise stipulate the rights and responsibilities of the PMU vis-à-vis other Grantor institutions (i.e., Ministries). The Baseline Contract Governance & Oversight Structure will also need to identify resource requirements, such as external experts.
- ii) **Develop Scopes of Work and Job Descriptions:** On the basis of the contract governance and oversight structure, detailed scopes of work and job descriptions should be developed. This will include job descriptions for all PMU staff, as well as scopes of work for required local and/or international experts.
- iii) **Budget & Resources:** Given the nature of the BRDP project and the time period established for construction, a budget to cover the first three years of the PMU and oversight activities should be developed. Additionally, the Grantor will need to identify the appropriate funding sources for these activities (whether paid directly by the GOK or with the assistance of international donor). The identification of a predictable and stable funding source for PMU and contract governance activities will be important in terms of reducing the risk profile of the project to potential investors and creditors.
- iv) **Hiring:** Depending on the funding source for different components of the PMU and oversight activities, it may be necessary to undertake procurement procedures to hire both PMU personnel and external experts. Given the lead time for these procedures and the possibility of delays, these procurements should be initiated at least three months prior to the projected entry into force of the PPP Agreement. Careful consideration will need to be given to how to best structure the procurement for these employment and/or professional services agreements and how to ensure that the individuals and groups selected can operate with total objectivity, insulated from any potential political pressures.
- v) **Training and On-Boarding:** At least a month prior to the entry into force of the PPP Agreement, the PMU will need to be provided in depth training on the PPP Agreement and their individual and collective contract governance and oversight responsibilities. A training agenda should be developed as soon as the Contract Governance and Oversight structure is approved. Likewise, baseline briefing materials should be prepared to assist external experts in fully understanding

the rights and responsibilities deriving from the PPP Agreement and their requirements when assisting with contract governance and oversight functions.

- vi) **Issue formal notice:** Prior to the entry into force of the PPP Agreement, the Grantor shall be required to evidence to the Private Partner that a BRDP Project Management Unit has been duly established. To this end, the Grantor will need to draft a formal notification and submit sufficient evidence to evidence its compliance with this requirement. The Private Partner shall confirm its acceptance of Grantor compliance in the form of a relevant consent.

5. Project Partnership Agreement

Although not stipulated in the PPP Agreement as a requirement of the Grantor or a condition precedent to the entry into force of the contract, the ISC has agreed to create a Project Partnership Agreement (PPA) to clarify and codify key issues regarding the rights and responsibilities of the Municipality of Strpce vis-à-vis the central government in Pristina (GoK). The PPA will address issues such as expropriations and land ownership, valuation procedures for assets to be expropriated, allocation of lease payments, Municipality's role in contract governance and oversight, Municipality and GoK commitments vis-à-vis the Private Partner/BRDP Project, etc. A draft PPA should be finalized at least sixty days prior to the entry into force of the PPP Agreement, thereby leaving all involved sufficient time for internal consultations and discussion.

6. Other Obligations

While not required by the PPP Agreement, the Grantor should likewise take adequate measure to prepare for its longer term obligations relating to BRDP. These include incorporating public sector investments aimed at maximizing the economic impact of the project into the GoK Medium Term Expenditure Framework. Investments in works, such as road expansions, municipal waste water treatment, etc., coupled with resources required for national tourism promotion and workforce development, should be estimated and included in budget projections. Likewise, the ISC should work with all relevant public institutions to create and formalize internal procedures for the review and approval of key project authorizations (such as permits), so that the project is not unnecessarily delayed or subject to unnecessary interference.

C. Private Partner Obligations

Section VII.4.1 of the RFP tender dossier sets forth the conditions precedent that must be met by the Private Partner prior to the entry into force of the PPP Agreement. Although these requirements are the responsibility of the Private Partner, both parties must be engaged to ensure their timely and effective compliance.

1. Baseline Documentation

In accordance with section VII.4.1.a) of the RFP, prior to the finalization of the Transition, the Private Partner shall have delivered to the Grantor, and the Grantor shall have approved thereof in writing, critical baseline documentation, including the following:

- i) the definitive Master Plan;
- ii) the Environmental Baseline Report and Management Plan;
- iii) inventory of pre-existing assets, and
- iv) the Financing Plan.

Given the nature and complexity of these documents, the Private Partner and Grantor will need to establish working groups, as well as activity-specific Gantt Charts and work plans for each Plan. These

working groups should be established as soon as reasonably possible after the formalization of the contract in order to ensure that work progresses during the entire 180 transition period.

With regard to both the Mater Plan and Environmental Plans, the PIU will require extensive external expertise and support from an international firm experience in both mountain resort design and environmental management. There will be a need as well for some level of participation and coordination with MESP for these plans. The Parties should establish both submission requirements, as well as an implementation timeline (including the review and revision period), so that the documentation can be duly finalized and approved within the stipulated timelines.

The asset inventory will likewise need to be closely coordinated between the Private Partner and Grantor. Logically, the inventory would best be undertaken in parallel with the property appraisal process associated with the expropriation process. This would eliminate the need for repeated access into private properties. The inventory will need to be certified by an auditor and jointly approved by the Grantor and Private Partner, prior to the entry into force of the PPP Agreement.

Finally, a working group composed of experts in project finance should be established to define the requirements, format and implementation timeline for the Private Partner's submission of the Financing Plan. In accordance with the PPP Agreement, at a minimum, the Financing Plan must detail to Grantor satisfaction the following: (i) the sources and uses of all such financing, including, without limitation, the amount of operating cash in respect of the period from the Effective Date through the date that is nine hundred sixty (960) days after the Effective Date to be used to finance the Initial Improvements, (ii) the total estimated cost of the Initial Improvements, (iii) the timing and amount of all equity and debt funding of the Private Partner, including, without limitation, the amount of equity to be contributed by the Shareholders to the Private Partner on the Effective Date, (iv) the aggregate number of voting securities of the Private Partner to be outstanding on the Effective Date and each Shareholder's respective percentage share thereof; and debt details (including financing terms and conditions). Given the complex nature of these elements and the need to undertake extensive due diligence, regularly scheduled progress update meetings will be required. The Parties should likewise leave at least 45 days for a final review of the Financing Plan, as the terms of said financing plan will also influence the confirmation of financial close (as discussed below). In accordance with the PPP Agreement, Grantor approval of the Financing Plan will need to be formalized via the issuance of a "Financing Plan Certificate".

2. Financial Close

Section VII.4.1.b) of the tender dossier sets forth the Private Partner's requirements for evidencing financial close. In this regard, the Private Partner must deliver to the Grantor, in form and substance acceptable to the Grantor, a copy of all duly executed Financing Agreements, with all conditions precedent to the effectiveness thereof having been fulfilled (or waived), except any condition precedent regarding the entry into force of the PPP Contract. This involves both a confirmation that Shareholder equity has been deposited, as well as evidence that the conditions of any initial disbursement of debt funding has been fulfilled or waived.³

³ The RFP stipulates the following:

- i) *"the Shareholders of the Private Partner shall have delivered evidence satisfactory to the Grantor that the amount of equity to be contributed by the Shareholders to the Private Partner on the Effective Date pursuant to the Financing Plan has been paid into the Private Partner; and*

The Grantor will require extensive external support to review the diverse financial agreements constituting financial close. The Parties to the PPP Agreement will need to agree as soon as reasonably possible on the form and substance of the documentation that will need to be delivered by the Private Partner to evidence its compliance with the requirements set forth in the RFP and Contract. Likewise, adequate time must be provided to the Grantor so that its advisors can undertake a detailed review of any associated debt agreements, as well as to confirm that shareholder equity has been paid into the Private Partner and is available for investment. Prior to the entry into force of the PPP Agreement, the Grantor will be required to draft and issue a certificate, accepting that all conditions precedent relating to financial close have been fulfilled (or waived).

3. Performance Securities

Section VII.4.1.c of the RFP requires that, prior to the Effective Date of the PPP Agreement, the Private Partner shall have posted and delivered to the Grantor all required Performance Securities, each of which shall be in full force and effect and in the form and substance acceptable to the Grantor. While the posting of the Construction Works Security and O&M Performance Security is a rather standard contracting requirement, the Grantor and Private Partner will need to agree on the exact amount of the construction works security, once the cost estimates in the Financing Plan have been finalized. Given their importance to the project, the Performance Securities should be carefully reviewed by experts, prior to their acceptance by the Grantor.

4. Relevant Consents

Section VII.4.1.d) of the tender dossier stipulates that The Private Partner shall have delivered to the Grantor all Relevant Consents required to be obtained by the Private Partner on or prior to the Effective Date of the Contract, all of which shall be acceptable in form and substance to the Grantor and shall be in full force and effect. A definitive list, as well as the form and content of each relevant consent, must be developed in coordination with the Grantor

5. Legal Opinion

Prior to the entry into force of the PPP Agreement, section VII.4.1.e) of the tender dossier requires that the Private Partner deliver to the Grantor a legal opinion confirming the validity of the Contract, the enforceability of the obligations of the Private Partner, compliance with all Conditions Precedent, and the legal eligibility of the Private Partner to execute the Contract. Given the legal importance of this document, the Grantor should have access to legal advisors with project finance experience to assist with establishing the form and content of the required documentation, as well as to review the legal opinion, once submitted,

6. Other

Although not stipulated in the PPP Agreement, it is critically important that the Private Partner take all required actions prior to the entry into force of the PPP Agreement to select subcontractors and key staff. As such, the Private Partner should be encourage to develop a working group dedicated to employee and supplier issues, initiating outreach and hiring campaigns during the Transition. Initial discussions suggest that the Private Partner is already working in this direction, targeting September as the time when it will initiate recruiting efforts (focusing primarily on the local community). That said,

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- ii) *the Private Partner shall have delivered evidence satisfactory to the Grantor that all conditions to initial disbursement with respect to any debt funding committed pursuant to this Agreement and the Financing Plan have been fulfilled or waived, as the case may be, except any condition precedent regarding the effectiveness of the PPP Contract."*

however, the Private Partner should be encouraged to submit an “employee recruitment and supplier sourcing transition plan”, so that these activities can be further coordinated with the Grantor and other stakeholders (including donor groups). Ideally, this transition plan would likewise anticipate the development of baseline human resources and supplier policies.

D. Mutual Obligations

While section VII.4.3 of the RFP simply stipulates that, prior to the Effective Date, the Parties should mutually confirm that there are no legal prohibitions to having the PPP Agreement enter into force, a number of other mutual obligations have been identified which should be contemplated within the Transition.

1. Verification of Compliance / Approvals

Both the Grantor and Private Partner are required to deliver relevant consents and approve a broad array of documentation and initiatives undertaken by the other Party. As indicated previously, during the Transition, a definitive list of these approvals will need to be formalized, but key approvals and authorizations identified include the following:

Required Verifications & Authorizations	
Grantor	Private Partner
i) Environmental Baseline Assessment	i) Expropriation Waiver
ii) Environmental Management Plan	ii) Approval/Acceptance of Site Availability
iii) Master Plan	iii) Approval / Acceptance of Relevant Consents
iv) Approval/Acceptance Asset Inventory	iv) Approval/ Acceptance of PMU
v) Transition Plan Human Resources and Operations Plan ⁴	v) Other
vi) Approval of Shareholder Structure	
vii) Approval of Financial Plan	
viii) Confirmation of Financial Close	
ix) Approval of Performance Guarantees	
x) Approval of Insurance Policies	
xi) Project Partnership Agreement	
xii) Approval/Acceptance of Relevant Consents	
xiii) Acceptance of Private Partner Legal Opinion	
xiv) Other	

The form and content of these verifications and consents will need to be mutually agreed during the Transition.

2. Construction & Operations Transition Plan

Although not stipulated within the contract, given that the PPP Agreement is anticipated to enter into force at some point in late 2015, it will be important that the Parties develop and mutually agree to a construction and operations transition plan that minimizes resort interruptions during the 2015-2016 winter season. In order to allow all parties to make the appropriate arrangements, this plan should be finalized no later than September, 2015. Attention should be given to key issues such as safety and operational liabilities, the timing of the demolition of existing infrastructures, resort operations (with existing infrastructure), and employment impact. In the likely event that the Private Partner will be

⁴ Not contractually required, but recommended.

unwilling to operate the resort with existing infrastructure, consideration should be given to options that aim to minimize the impact of a resort closure on the local community.

3. Mutual Infrastructure

A working group comprised of representatives of the Private Partner and Grantor (including the Municipality of Strpce) should be established immediately after contract formalization to analyze options to leveraging required resort infrastructure for the benefit of the local community. For instance, the water treatment plant for BRDP could be expanded to cover the needs of the Municipality; however, this Grantor would need to authorize this expansion during the Transition (or via subsequent amendments to the Master Plan). The working group should identify and develop a preliminary budget for any potential infrastructure projects that might benefit the Municipality. Subsequently, an options analysis should be undertaken to determine whether the optimal funding structure for the expanded infrastructure.

4. Effective Date Certificate

In accordance with article 3.1.5 of the PPP Agreement, upon the fulfillment or waiver, as the case may be, of the conditions precedent set forth in section VII.4 of the RFP, the Parties shall mutually execute a certificate confirming that all of the conditions precedent set forth therein have been fulfilled or waived and setting forth the date of the Effective Date. The Parties will need to agree on the form and content of said Effective Date Certificate at least 15 days prior to the anticipated finalization of the Transition Period.

III. Resource Requirements

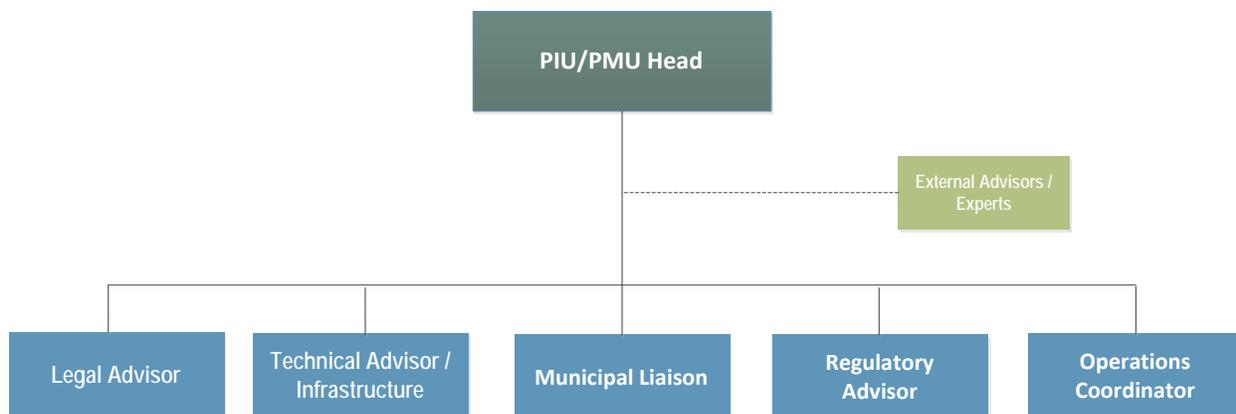
In order to successfully fulfill all the requirements of the Transition Period, the Grantor will need access to significant internal and external resources and expertise. The following summarizes key resource requirements:

A. Strategic Advisor / Transition Advisory Assistance

Given the acutely complex nature of these Transaction activities, as well as the Grantor's lack of experience with a project of this magnitude, the ISC and PIU would benefit from continued assistance from international experts. Professional advisory services should encompass a wide variety of professional competencies, including finance, law and technical advisory services, as well as general project management support. As has occurred in the past, it is anticipated that these services will be provided through USAID.

B. Project Implementation Unit

To date, USAID has also supported the Project Implementation Unit. While this support is envisioned to continue through the Transition Period, the composition of the PIU will change as it begins to transform into the PMU. In this regard, certain positions (such as the Public Relations Advisor) will become unnecessary, as the Private Partner takes leadership in many activities. Other responsibilities, however, will mandate the need to add new positions to the PIU/PMU. During the Transition, the PIU is anticipated to take the following structure:



C. Other Experts

The PIU and ISC will need the support of other external experts in order to successfully fulfill the requirements of the Transition. Amongst others, the Grantor will need to retain the following:

- Professional Advisory Firm to update the Expropriation Elaborate
- Independent Property Appraiser
- Independent Auditor to assist in undertaking the required inventory of pre-existing assets
- Other, such as a legal firm to provide an independent opinion on the ownership status of certain properties within the Development Footprint.

D. GOK Budget Requirements

Although the amounts are not yet definitive, the Grantor must take immediate actions to begin identifying funding sources and budgeting for expenditures that will be critical to the effective completion of the Transition activities and entry into force of the BRDP PPP Agreement. Priority expenditures include:

- i) **Expropriations:** The Grantor must have adequate funding available to successfully effectuate the necessary property transfers prior to the entry into force of the PPP Agreement.
- ii) **PMU and Contract Governance & Oversight:** The Grantor must identify appropriate funding sources and allocate the resources required to hire duly qualified individuals for the PMU. It must also as well budget to hire international experts to support the contract governance and oversight activities, including experts in resort master planning, environmental management, performance monitoring, etc.
- iii) **Ancillary Infrastructure:** The Grantor must likewise begin budgeting for any ancillary infrastructure that is intended to maximize the economic impact of BRDP, such as road expansions, expanded water/sewerage, etc. This includes budgeting for both initial design work, as well as for any associated capital improvement program.
- iv) **Other:** The Grantor should also identify and budget for other activities aimed at maximizing the economic impact of the project, such as tourism promotion, microfinance, workforce development, etc.

Annex 2: Draft Terms of Reference for External Advisors

1. Statement of Work

Independent Property Appraiser for Brezovica Resort Development Project

I. Background & Overview

In February, 2012, the Government of Kosovo declared the Brezovica Resort Development Project (BRDP) a national priority. As a public-private-partnership, the project aims to attract an experienced private operator/developer to design, build, finance, operate and maintain a world-class, year-round mountain resort on approximately 3400 hectares of land located primarily within the Sharr National Park. The project is viewed as an important trigger for private-sector-led sustainable economic growth, potentially creating 3500 new jobs in the Strpce Municipality and throughout Kosovo.

After a competitive international procurement, on April 14, 2015, the Government of Kosovo executed a 99-year Design-Build-Finance-Operate-Maintain PPP Agreement with Brezovica Resorts, LLC, a French-held special purpose entity created with the sole purpose of developing the Brezovica Resort. The private partner has committed to investing approximately €410 million in a phased development outlined in its draft Master Plan.

In order to execute the project, it will be necessary for the Government of Kosovo to take full title and possession of certain properties held within the designated development footprint. Although the Private Partner's proposed area usage plan significantly reduced the scope of the required expropriation program,⁵ given the multi-ethnic nature of the project and in order to forestall any potential disputes relating to appraisal amounts, representatives from both Pristina and Strpce have agreed that the valuation and appraisal process should be undertaken by a qualified, independent and objective third party.

As such, the parties have requested support from the EU to engage an independent appraiser to undertake a valuation of designated land and structures to determine the baseline compensation values for expropriated properties. The use of qualified third parties to inspect and assist in the valuation of private property targeted for expropriation is authorized under Article 21.2 of Kosovo Law No. 2009-03 / L-139 "On Expropriation of Immovable Property".⁶

II. Required Minimum Qualifications and Valuation Standards

The Appraiser must be a professional valuation company registered in a European Union country that is certified and/or inscribed as a member of the European Group of Valuers Associations (TEGoVA).

Minimum qualifications for the Appraiser include the following:

1. The Appraiser shall be and required to have at least five years of experience providing certified valuation services for public institutions within Europe.
2. The Project Manager shall be a citizen of an EU country and be a certified professional valuer from European Group of Valuers' Associations (TEGoVA). The Project Manger should have at least 5 years of experience managing similar work.
3. Key professional staff assigned by the Appraiser shall all hold valid certifications or licenses issued from the European Group of Valuers' Associations (TEGoVA).

Appraisals shall be undertaken in accordance with the principles of:

⁵ The need to expropriate privately held properties was reduced by 95% in comparison with original estimates, while the scope of socially-owned property expropriations shrunk by approximately 68%.

⁶ The law can be downloaded at http://www.assembly-kosova.org/common/docs/ligjet/2009_03-L-139_en.pdf

- (i) International valuation standards of 2007, as published by International Valuation Standards Council, and
- (ii) European Valuation Standards of 2009, as published by the European Group of Valuers' Associations.

In addition to internationally recognized standards, the Appraiser must be (or become) familiar with the relevant legislation in Kosovo, specifically with regard to relevant provisions stipulated the Law on Expropriation with regard to valuation principles (i.e., property must be evaluated on the basis of its value before the initiation of expropriation procedures).

III. Property Description

The valuation to be undertaken by the Appraiser shall include all non-publicly owned land, structures and businesses identified in designated areas within the Brezovica Resort Development Footprint (the total area subject to the valuation is 3133.87 ha). The vast majority of this area is located within the Sharr National Park and is comprised of unused and undeveloped land. Some properties and land are being utilized by an existing ski operator (INEX), although the resort is comprised principally of degraded assets that are no longer in operation. In total, there are approximately 65 structures included in valuation procedure.

IV. Statement of Work

The Appraiser shall undertake a valuation of all land, structures and businesses identified in designated areas within the Brezovica Resort Development Footprint.

Prior to initiating the valuation, the Appraiser shall submit to the Property Tax Department a detailed work plan for completing the valuation procedure and submitting the final report.

The Appraiser shall be required to perform a field inspection of identified properties and apply the most practical valuation techniques possible in light of existing information. The Immovable Property Valuation Office of the Kosovo Ministry of Finance will consolidate relevant costs and/or revenue data will and provide logistical arrangements for site visit and field inspection on the property of the Appraiser.

The written contractor's valuation report shall contain all the elements required by Kosovo Law. Key amongst these elements are the following:

1. Full valuation of expropriated property, including components of such valuation;
2. The Appraiser should submit the Act of Valuation for every parcel in compliance with Kosovo Law on Expropriation; and
3. Description of specific methodology used to make such valuation.

V. Services to be provided by the Kosovo Immovable Property Valuation Office

The Immovable Property Valuation Office will provide administrative and technical support including logistical arrangements and office space for the Appraiser during the execution of this statement of work. The Immovable Property Valuation Office shall also provide available information and documentation to the Appraiser that may reasonably assist in issuing the valuation report. These items may include, amongst others:

- Maps, including local regulation maps, where appropriate;
- Property dimensions and descriptions;
- Transaction data on similar properties;
- Land usage information;
- Details of construction costs; and
- Data on productive lands for agriculture, where possible

The Immovable Property Valuation Office shall likewise contact property owners for the purpose of field inspections, e.g. to gain access to revenue and cost data for the valuation of commercial property.

VI. Reporting Requirements

The Appraiser shall report to the Property Tax Department within the Ministry of Finance or its delegate responsible for daily coordination of tasks.

The Appraiser shall be required to attend regularly scheduled meetings, as reasonably required, by the Property Tax Department, Municipality of Strpce, European Union representatives, Kosovo Cadastral Agency, government organizations or their representatives, expert groups, ministries, and other stakeholders.

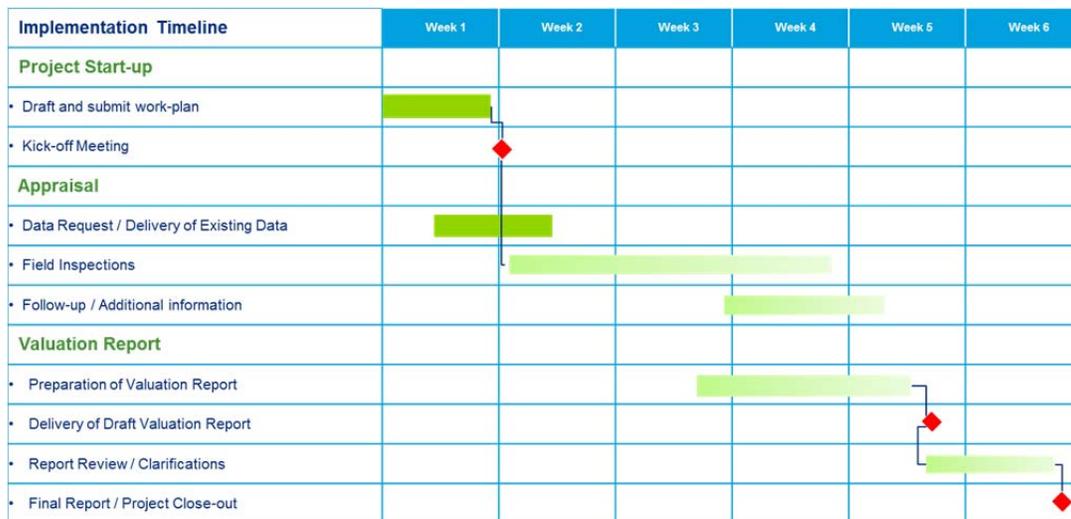
The Appraiser shall be required to submit regular status updates detailing activity progress and identifying any potential threats that may impede its ability to deliver the valuation report in the stipulated timeline.

All reports shall be delivered electronically in English.

The Appraiser shall ensure that all information received, discovered during the investigation, requested during daily work from individuals or in group meetings shall remain confidential.

VII. Implementation Timeline and Period of Performance

In order to ensure that the valuation is finalized in accordance with the expropriations plan required for the Brezovica Resort Development Project, the Appraiser should deploy the necessary resources and personnel to complete the assessment in a period not to exceed six weeks. As currently envisioned, the period of performance for this contract would run from June 15, 2015 through July 30, 2015, in accordance with the following implementation timeline:



2. Statement of Work

Update of Expropriation Elaborate

I. BACKGROUND

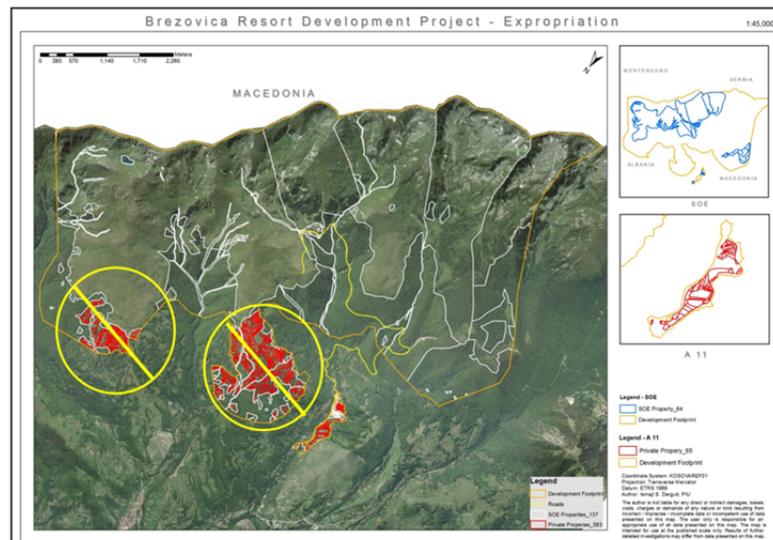
USAID, through Partnerships for Development Project, is providing technical support to the Government of Kosovo to enhance the country's business enabling environment and improve public financial management. Amongst specific objectives, the project contemplates assisting public authorities to attract private investment through public-private-partnerships (PPP).

In February, 2012, the Government of Kosovo declared the Brezovica Resort Development Project (BRDP) a national priority. As a PPP, the project aims to attract an experienced private operator/developer to design, build, finance, operate and maintain a world-class, year-round mountain resort on approximately 3400 hectares of land located primarily within the Sharr National Park. The project is viewed as an important trigger for private-sector-led sustainable economic growth, potentially creating over 4000 new jobs in the Strpce Municipality and throughout Kosovo.

Given Kosovo's limited experience in implementing PPP projects, and due to the acutely complex nature of executing a real estate development transaction of this magnitude, USAID has been providing extensive technical assistance to the duly appointed Inter-Ministerial Steering Committee in all activities relating to the structuring, implementation and management of BRDP.

After a competitive international procurement, on April 14, 2015, the Government of Kosovo executed a 99-year Design-Build-Finance-Operate-Maintain PPP Agreement with Brezovica Resorts, LLC, a French-held special purpose entity created with the sole purpose of developing the Brezovica Resort. The private partner has committed to investing €410 million in a phased development outlined in its draft Resort Master Plan.

Site usage authorized in the Master Plan indicates that construction will be focused primarily in three zones of the Development Footprint. Given sensitivities of the local community to previously proposed expropriations within the Footprint, the Private Partner and Grantor have agreed to waive the requirement to expropriate private properties in areas designated as "unused" "preservation" and/or "buffer zones" (as illustrated herein).



The Government of Kosovo thus needs to update the Expropriation Elaborate to remove these private properties.

II. OBJECTIVE

Given the technical and specialized nature of preparing an Expropriation Elaborate, USAID Partnerships for Development Project is seeking an experienced geodesy, cadastral and GIS firm (the "Advisor") to

assist in updating the Expropriation Elaborate to exclude certain private properties in designated areas within the Footprint that will be unutilized or preserved by of the Private Partner, in accordance with the PPP Agreement (and more specifically, Annexes 1 and 2 of said Agreement).

III. SCOPE OF WORK

The Advisor shall provide professional advisory services to the MTI, ISC, PIU and Ministry of Finance Property Tax Department to update the Expropriation Elaborate to reflect the proposed Site Development Plan contemplated within the PPP Agreement. The Advisor shall identify specific third party properties in designated zones that may be eliminated from the expropriation program. The Advisor shall submit a written report, including GIS overlays, detailing the proposed Site Development's potential impact on SOE, private and publicly-owned land.

- The Advisor shall prepare an Updated Expropriation Elaborate
- The updated Elaborate must be prepared in accordance with the Law on Expropriation and be accepted from relevant institutions.
- The Advisor shall use updated cadastral information on ownership of the land, from the Cadastral Directorate in Municipality of Strpce.

IV. SOLE-SOURCE JUSTIFICATION

Given that Geo & Land sh.p.k. was previously contracted under the auspices of the USAID Growth and Fiscal Stability Initiative (GFSI) to prepare the expropriation application for the land contemplated within the BRDP Development Footprint, it is the only firm with immediate access to all required GIS and cadastral records and is therefore, the only firm reasonably positioned to deliver the required analysis within the timeframe envisioned for the evaluation process.

V. PERIOD OF PERFORMANCE

The period of performance for this Task Order is **June 1, 2015** through **June 21, 2015**.

VI. DELIVERABLES

The Advisor shall be required to submit a confidential evaluation report to the PIU and evaluation committee, including the elements outlined in section III above.

VII. LANGUAGE

All reports delivered to PIU shall be in Albanian and English language.

VIII. CONSIDERATION AND PAYMENT

[TBD]

Annex 3: Draft Contract Governance and Oversight Structure

PUBLIC-PRIVATE-PARTNERSHIP FOR THE DEVELOPMENT, FINANCING, AND OPERATION OF THE BREZOVICA RESORT



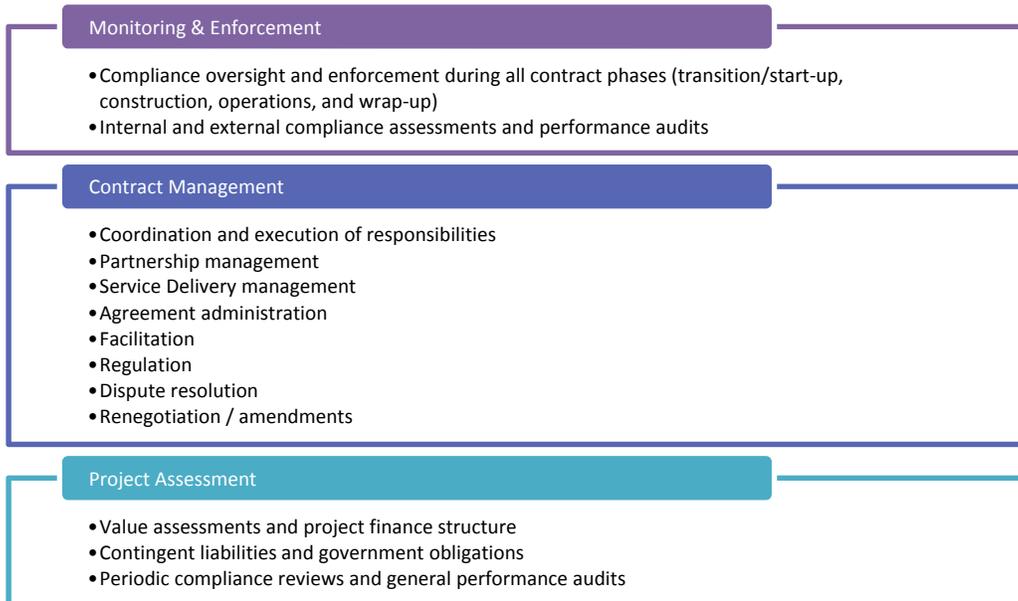
Public Procurement Number MTI-204-13-008-612

CONTRACT GOVERNANCE FRAMEWORK

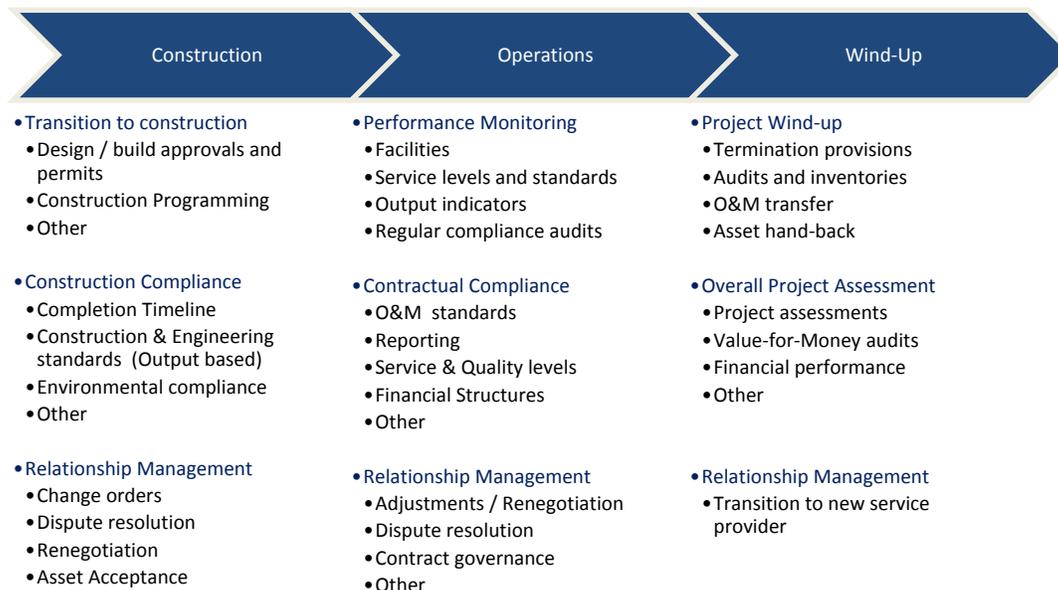
May 2015

I. Overview of Contract Governance and Supervision

A Public-Private-Partnership transaction is not an end in itself. Like all long-term relationships, PPP contracts require careful management and supervision in order to ensure that expected benefits materialize. Indeed professional contract governance and supervision are of critical importance to ensuring the success and sustainability of any PPP project. Contract governance and oversight generally refer to the following activity areas:



The underlying tasks relating to these activities are dynamic by nature, adapting and evolving in accordance with the stage of execution the contract. For instance, the following graphic depicts different contract governance and oversight functions during the construction, operations and project wind-up phases of a typical PPP project.



Effective contract governance and oversight are imperative to ensuring that a project meets its overall objectives and therefore, public authorities must take every measure to ensure that effective contract governance structure and skilled personnel are in place prior to contract execution.

II. Governance Framework for BRDP

In developing the Brezovica Resort Development Project PPP Governance Framework, it is important to recognize that this Project is distinct from many other infrastructure PPP in that it does not involve a public utility or service. Instead the partnership is founded on a long term ground lease, thereby requiring much less Grantor oversight and involvement during project implementation. In other words, unlike an airport PPP where the Grantor retains an important role in regulating operations and delivering services; in the case of BRDP, a resort development, the Grantor's contract governance and oversight role will be significantly more measured.

The Grantor's primary role during contract execution will be to facilitate project implementation and verify Private Partner compliance with the provisions of baseline regulatory documentation, such as the Master Plan and Environmental Management Plan. To that end, the PPP Agreement envisions both internal and external mechanisms for contract governance and supervision.

The Grantor, represented for effects of the PPP Agreement by the ISC, is responsible for the Republic of Kosovo's obligations deriving from the PPP Agreement. Nevertheless, for purposes of the PPP Agreement, the Grantor has delegated its daily responsibilities to a duly appointed Project Management Unit (PMU), which must be maintained at all times during the Term of the PPP Agreement, in accordance with article 7.6. The overarching purpose of the PMU is to ensure the successful execution of the project through effective contract management and supervision.

The PMU's rights and responsibilities are broadly set forth in the PPP Agreement.⁷ In general terms, the PMU is required to supervise the execution of the contract, manage relationships between the Parties, and on behalf of the PPP-ISC, interact on a daily basis with the Private Partner in order to ensure the timely delivery of the project in accordance with the terms and conditions set forth in the PPP Agreement. The PMU is also charged with overseeing the execution of functions delegated to the ISC, as well as ensuring the timely compliance of the Grantor with its obligations deriving from the Agreement. As regards oversight and enforcement, the PMU is required to monitor contractual compliance and to alert the Parties as to any breach of Agreement. It should likewise undertake periodic performance and compliance audits.

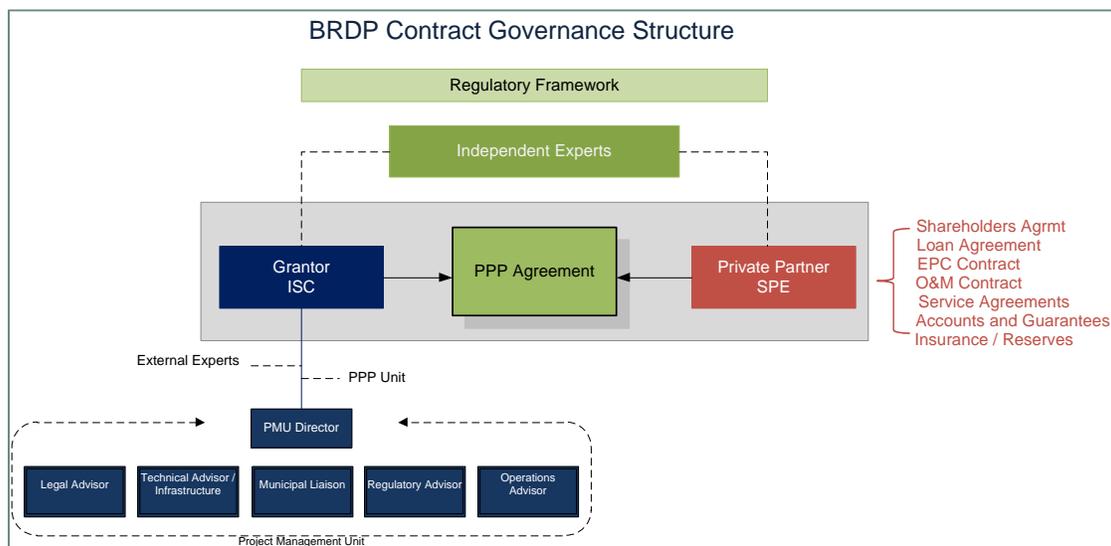
Checks and balances related to contract management and oversight are intended to ensure that service providers comply with contract provisions throughout the life of the contract.

⁷ Reporting structures, as well as the specific rights and responsibilities of the PMU vis-à-vis the ISC, will need to be detailed in the PMU's constitutional documents.

Obviously, the PPP Agreement does not preclude other Government of Kosovo authorities from exercising their regulatory and oversight functions related to the project, nor is it exhaustive in terms of the contract governance and oversight needs. Indeed the Grantor would be well advised to engage, from time to time, third party entities to perform independent performance assessments and compliance audits, in accordance with international best practice.

Unquestionably, the PMU will need extensive external support and expertise, particularly during the first three years of contract execution. Although an Independent Engineer is not required for this project, the ISC should plan to engage an international firm with expertise in mountain resort design and engineering, as well as in environmental management. This firm should be selected in anticipation of the Effective Date of the PPP Agreement and engaged until at least 80% of the first phase works have been completed. The independent experts would assist the Grantor in ensuring Private Partner compliance with the parameters of all relevant baseline documentation (Master Plan, Environmental Management Plan, Safety Plan, etc.), as well as with developing and monitoring performance levels.

In general terms, the contract governance and oversight framework for the Brezovica Resort Development Project PPP can be summarized as follows:



One final comment should be made regarding the role of the central PPP Unit in relation to the management and supervision of the PPP Agreement. As an advisory unit, the PPP Unit must at all times maintain arm’s length from the PMU; nevertheless, the PPP Unit does have a broader responsibility to ensure that all PPP agreements are properly implemented, managed, enforced, monitored, and reported on. As such, the PPP Unit must establish guidelines, mechanisms and procedures to ensure that the PMU is effective in the execution of its duties. This includes the development of regular reporting procedures, the establishment of best practice regarding performance monitoring, and the performance by the PPP Unit of periodic compliance audits and project assessments. The PMU should be required to regularly submit compliance reports to the ISC and PPP Unit for their review and approval and these reports should be included in the annual concession report submitted to the Assembly.

III. Key Responsibilities of the Project Management Unit

As mentioned above, the PMU's rights and responsibilities are broadly set forth in the PPP Agreement and include the following:

- a) measuring the outputs of the PPP Agreement;
- b) monitoring and enforcing the implementation of the PPP agreement and performance of the Parties under the PPP Agreement;
- c) liaising with the Private Partner and generally engaging in partnership management;
- d) service delivery management and PPP Agreement administration;
- e) executing duly delegated functions of the ISC and ensuring the timely compliance of the Grantor with its obligations deriving from the PPP Agreement;
- f) resolving disputes with the Private Partner;
- g) generally overseeing the day-to-day management of the PPP agreement; and
- h) regularly reporting on the performance of the PPP agreement and the level of compliance of the Parties with the contractual terms.

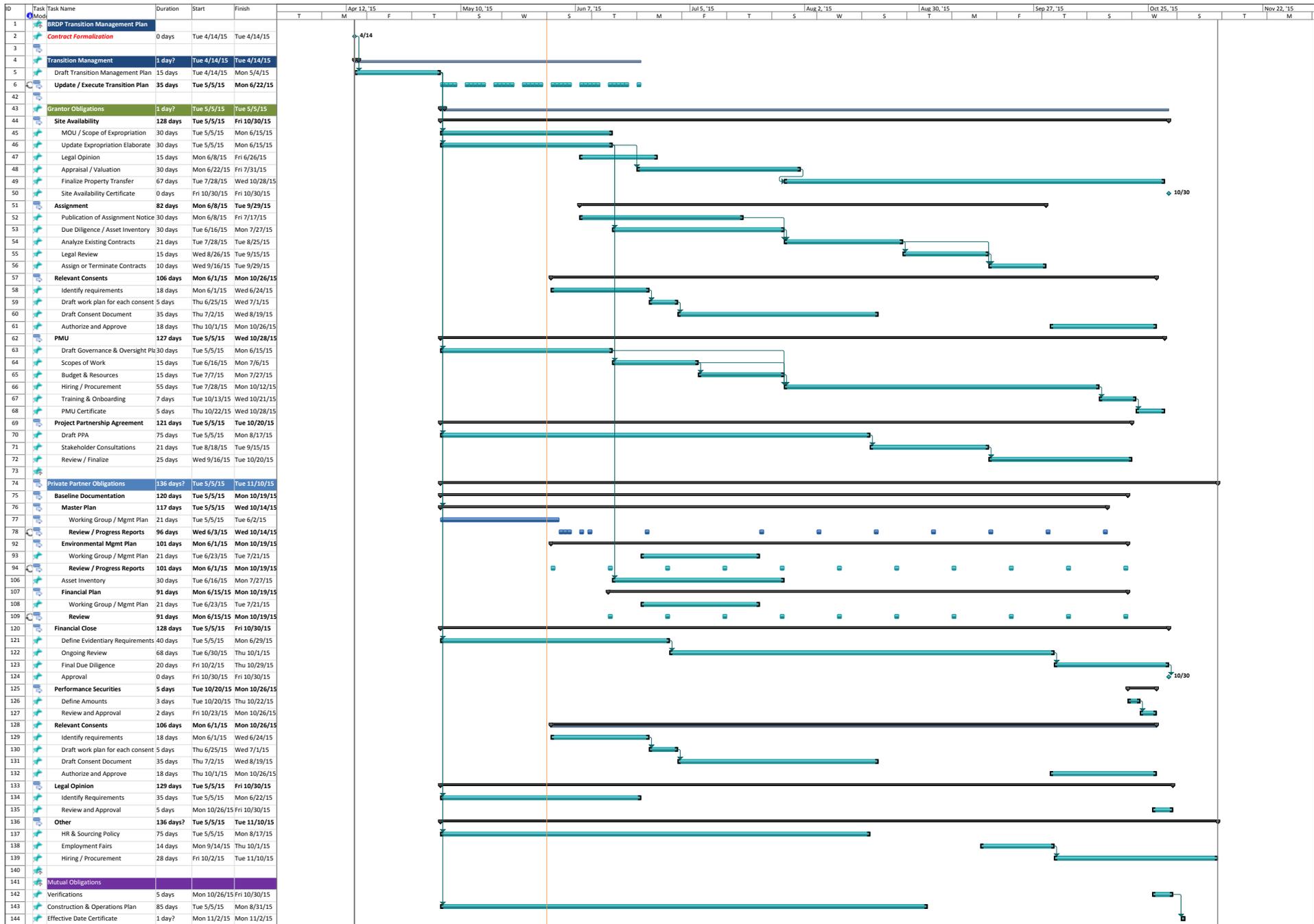
Specific rights and responsibilities, particularly with regard to delegation functions of the ISC, will need to be meticulously detailed in the PMU's constitutional documents.

IV. PMU Management and Reporting Structure

In order to capitalize on sector-specific expertise and experience, the Public Authority which is directly responsible for the economic activity or activities contemplated in a PPP Agreement generally should be responsible for contract governance and supervision. Nevertheless, in instances where the Contracting Authority involves multiple public authorities, such as the ISC, the PMU management and reporting structure requires additional consideration.

The PPP Law stipulates that the Contracting Authority shall be directly responsible for supervising the Private Partner and ensuring strict compliance with the terms of the Agreement. It does not, however, prescribe a specific management and reporting structure for delegation of these authorities by the Contracting Authority. Indeed the only relevant provisions are those set forth in the Law that stipulate that contract governance and oversight must be entrusted to functionally independent bodies with a level of autonomy sufficient to ensure that decisions are taken without political interference or inappropriate pressures from infrastructure operators, public service providers, or parties to the Agreement.

While these legal provisions are certainly consistent with the PMU requirements set forth in the PPP Agreement, they are not in themselves adequate. The ISC will need to structure a management and reporting system that will meet the needs of both the project and the PPP Law.





USAID
FROM THE AMERICAN PEOPLE

SUPPORT FOR BREZOVICA RESORT DEVELOPMENT PROJECT



POTENTIAL USAID ASSISTANCE LINKAGES

Brezovica Resort Development Project

Potential USAID Program Assistance Linkages

The development of the Brezovica Resort is critically important to the economic development of the Strpce Municipality and the broader national and regional economy. The overall objective of the Brezovica Resort Development Project (BRDP) is for the private partner to design, construct, finance, and operate BRDP as a world class year-round tourism and recreational facility for local and international visitors. BRDP promises to create thousands of new jobs and trigger unprecedented demand for a wide variety of goods and services.

In order to maximize the economic impact of this project, it will be necessary to provide a diversity of assistance programs aimed at both building capacity of private individuals and businesses to meet the needs of the resort development, as well as creating an appropriate enabling framework for the project. The following are some initial thoughts about potential USAID support areas:

1. Agriculture & Food Industry

The private partner provided some initial estimates of the agricultural and food supply requirements needed to satisfy resort demand:

Resort consumption estimates:

		Phase 1 2 000 beds	Phase 2 5 000 beds	Phase 3 7 000 beds
	Daily Consumption (gr/person)	Annual Tourist consumption (tons)	Annual Tourist consumption (tons)	Annual Tourist consumption (tons)
Fruit and fruit products	136	40	100	139
Fruit and vegetable juices	97	28	71	99
Vegetables and veg. products	94	27	69	96
Grains and grain-based products	183	54	134	187
Eggs and egg products	11	3	8	12
Milk and dairy products	221	65	162	226
Animal & vegetable fats and oils	22	6	16	22
Fish and other seafood	10	3	7	10
Meat and meat products	92	27	67	94
Alcoholic beverages	64	19	47	65
TOTAL	931	272	680	952

These estimates demonstrate the importance of strengthening local production capacity and supply management in all state categories. As such, potential assistance programs could include:

- Standards and quality assurance training programs
- Guidance and public educational programs on: product regulation, licenses, processing, cuts, packaging, labeling, handling, food safety, and marketing;
- Value-chain / supply-chain
- Farming and crop management
- Food Processing
- Agribusiness support programs (i.e. business skills training, microloans, credit and crop insurance, direct and guaranteed farm loans, incentive programs, etc.)
- Beginning farmer and rancher development programs
- Cooperatives development
- Grants, loans or other assistance to develop of local greenhouses and chillers (to ensure consistent year-round supply of agricultural products)
- Organic farming and certifications
- Conservation and environment

2. Workforce Development

A highly capable workforce is a pre-requisite for any major resort development project, but given that the region has extremely limited experience with many of the core and ancillary service areas contemplated within BRDP, significant training will be required. Compagnie des Alpes is highly regarded for its specialized training programs and has committed to undertaking a wide range of job training for specialized skills such as machine operators, snowmaking, ski instructors, mountain guide and rescue, mountain bike instructors, convention and spa management, sales and sales directors, industrial repair lift equipment, and other critical functions.

In addition to the CdA program, there will be an acute need for ancillary workforce development programs for both on- and off- resort operations. While specific workforce development training programs should be defined on the basis of a needs assessment, some possible training areas might include the following:

- Language training
- Hospitality and tourism, including skill development programs for line employees and managers of hotels, food and beverage establishments, spas, physical training, hospitality educators, hotel suppliers, tour operators, etc.
- Equipment maintenance and repair
- Travel agents and tourism operators
- Transportation services
- Business planning
- Tourism Management Development Certificate Program:

Additionally, USAID could provide assistance by:

- Promoting the development of formal university-level hospitality training and tourism management development certificate programs
- Facilitating and/or supporting tourism and hospitality internship and mentorship programs
- Conducting a public education campaign focused on raising awareness of career opportunities in tourism

3. SME / SME Finance

Small and medium businesses will play a key role in supporting, servicing and supplying resort operations, as well as in providing ancillary and supplementary services. Consequently, consideration should be given to developing a SME / SME Finance support program tailored for the tourism and hospitality industry. Some potential support areas might include the following:

- Access to finance
- Development of targeted incentive program to support the development of tourism enterprises that will stimulate job creation and encourage additional tourism investment
- Entrepreneurial education and training
- Supply Chain Management
- Marketing and promotion
- Quality standards and regulatory requirements
- Eco-innovation pilot program
- ICT integration program (contributing to a better environment for developing ICT-based services and helping to overcome hurdles such as the lack of interoperability and market fragmentation between Serbian, Albanian, and international platforms)
- Cluster certification initiatives
- Strategic partnerships
- Business Enabling Framework

4. General Enabling Environment

With the aim of strengthening the overall enabling environment for BRDP, USAID could consider providing assistance in the following areas:

- **Development of an Operational Oversight and Resort Administration Program:** As a complement to BRDP contract governance and oversight system (PMU), a more general operational oversight and resort administration program for Kosovo should be developed, focusing on a broad array of issues, such as environmental protection/land stewardship, public health/safety, operations quality assurance, financial interest monitoring, etc. Fortunately, there are well established programs which can be modeled from. For example, the U.S. Forest Service has a comprehensive “*ski area permit administration*” program in place which provides oversight at hundreds of ski resorts operating on public land throughout the U.S. Further, this scope could include developing and establishing ski area development/administration guidelines for the resorts operating within Kosovo. This could take the form of the full development of a comprehensive administrations/monitoring program (which may even include training on-the-ground for ski area administrators) or could be a more simplified form of assisting with materials and resources after which to model a program. .
- Tourism promotion
- Permit streamlining
- Zoning enforcement
- Business enabling environment

5. Ancillary Infrastructure

Although the proposed development is entirely self-sustaining, without the need for direct public investment; in order to maximize economic impact and facilitate tourism, the GoK should give careful consideration to the development of ancillary infrastructure in both Strpce and beyond. Infrastructure projects might include small public works (such as sidewalks and lighting in Strpce), as well as cross-over critical infrastructure (like wastewater treatment and sewerage systems) and even national and international assets (such as the expansion of the road from Route 6 to Strpce and/or the modernization of Route 10 to Serbia). Given the importance of these ancillary works to maximizing the economic impact of BRDP, USAID could consider providing support in the following areas:

- Grant programs for small infrastructure development
- PPP advisory support for larger municipal infrastructure
- Defining potential municipal infrastructure linkages with BRDP
- Assistance in the prioritization of ancillary public infrastructure projects
- Alternative Financing and Delivery Options Assessment for priority ancillary infrastructure
- PPP implementation assistance
- Assistance in the development of model off-take agreements for municipal service providers