



**Republika e Kosovës**  
**Republika Kosovo - Republic of Kosovo**  
*Kuvendi - Skupština - Assembly*

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**Law No. 05/L-042**

**FOR REGULATION OF WATER SERVICES**

**The Assembly of the Republic of Kosovo,**

Based on Article 65 (1) of the Constitution of the Republic of Kosovo,

Approves

**LAW FOR REGULATION OF WATER SERVICES**

**CHAPTER I**  
**GENERAL PROVISIONS**

**Article 1**  
**Purpose**

This Law aims to regulate the Water Supply Service Providers Activities, Wastewaters and Bulk Water Suppliers and the establishment of the Water Service Regulatory Authority (hereinafter Authority).

**Article 2**  
**Scope**

This Law applies to all Water and Wastewater Service Providers and Bulk Water Suppliers in Kosovo (hereinafter Service Providers).

### **Article 3 Definitions**

1. Terms used in this Law shall have the following meanings:

1.1. **Authority** - the Water Services Regulatory Authority (WSRA) as an independent authority, responsible for regulating the activities of Service Providers in Kosovo, established by this Law;

1.2. **Bulk Water Supplier** - any Service Provider that posses the Service License for Bulk Water Supply processed or unprocessed.

1.3. **Customer Charter** - the document given to the Customers by Service Providers, which is based on regulations issued by the Authority, which clearly states the rights and mutual obligations between Costumer and Service Provider regarding the provided services;

1.4. **Return on Equity** - a return based and reasonable on the value of investments made by the Service Provider and/or his/her owner/s ;

1.5. **Municipality** – administrative unit defined according to the Law on Local Self-Governance;

1.6. **Customer** - a person that has entered into a Service Contract with a Service Provider and/or has received services by a Service Provider;

1.7. **Service Contract** - a standard contract agreed between Service Provider and the Customer, which regulates the provision of services, the rights and obligations of the contracting parties;

1.8. **Customer Consultative Committees** - the committees described and established in accordance with Article 26 of this Law;

1.9. **Authorized Connection** - a connection between the customer`s facilities and distribution network of Water and Waste Water Services, provided by Service Providers pursuant to this Law;

1.10. **Unauthorized Connection** - a link between the Customer facilities and a distribution network for Water and Wastewater Services that has not been performed by Service Providers in accordance with this Law.

1.11. **Service License** - a permission issued by the Authority by which is given the authorization for provision of Water Services;

1.12. **Payment Arrangement** - an arrangement between water service providers and the customer to pay an amount due and owing to a Service Provider;

1.13. **Service Provider** - any Water and Wastewater Service Provider, and Bulk Water Supplier;

1.14. **Warning Notice** - the written notice given by the Authority to a Service Provider pursuant to Article 40 of this Law;

1.15. **Person** – a natural or legal person that might be public or private;

1.16. **Vulnerable Person** - any natural person deemed to be at risk with respect to his/her life or health without Water Services, provided that such fact can be confirmed by a licenced physician or any Customer classified by the Ministry of Labour and Social Welfare as indigent and destitute, and advised to the Water and Wastewater Service Provider as entitled to have his/her invoice paid by the Competent Social Welfare Authorities;

1.17. **Consolidation** - the sector restructuring process for Service Provider consolidation;

1.18. **Regulations** - the secondary legislation issued by the Authority;

1.19. **Service Standards** - the standards of service that apply to that Service in accordance with the current legislation;

1.20. **Water Services** - the Water and Wastewater Services and Bulk Water Supply;

1.21. **Water Supply Services** – collection, processing and distribution of water for human consumption and network and facilities operation for that purpose;

1.22. **Wastewater Services** - collection, conveyance, removal and treatment of wastewater used by domestic, commercial, industrial and public users;

1.23. **Sewage Services** - services in physical infrastructure that serve to convey the polluted waters.

1.24. **Untreated Bulk Water Services** - water collected or extracted service, which as untreated is supplied as a bulk water;

1.25. **Treated Bulk Water Services** - water collected or extracted service, which as treated is supplied as a bulk water;

1.26. **Termination** - the termination of the provision of services by the Service Provider for health safety reasons, operational, nonpayment of invoices by customer or for other reasons determined by this Law;

1.27. **Announcement** - the customer notification in the official languages for any given activity of Service Provider;

1.28. **Service Tariff** - any rates, charges or fix tariff of a Service Provider ,who charges the customer related to the provision of services;

1.29. **Bulk Water Tariff** - any rates, charges for Bulk Water Supplier, in relation to the supply of Bulk Water to a Water Service Provider;

1.30. **Service Performance Data** - the data and information provided by a Service Providers, held and delivered by the Service Provider pursuant to format specified by the Authority;

1.31. **Non-Revenue Water** - the water remaining after deducting the water sold from the water produced;

1.32. **Bulk Water** - treated or untreated water, which is supplied as bulk water;

1.33. **Service Area** - the region or municipalities within which the relevant Service Provider must provide its Services based on service license;

#### **Article 4** **Water Services Regulatory Authority**

1. The Authority is an independent institution in performing its functions according to this Law.

2. The Authority is responsible for regulating the activities of all Service Providers.

3. The Authority has competencies for:

3.1. licensing service providers and supervision of application of conditions defined with service license;

3.2. tariff setting of service for service providers, ensuring the tariffs to be fair and reasonable and to enable financial sustainability of service providers;

3.3. installing Service Standards and supervision of application by service providers of such standards;

3.4. performance monitoring of service providers to estimate if they fulfil the conditions defined by service license as well as the targets defined by tariff process;

3.5. establishment and support of consumer consultative committees in seven Kosovo regions;

3.6. drafting and approving regulations, standards and regulatory decisions in compliance with authorizations based on this law and other applicable laws;

- 3.7. inspection of service standards and supervision of implementation of Authority`s legal acts.
4. The Headquarter of the Authority is in Prishtina.

**Article 5**  
**Organizational Structure of the Authority**

1. The Authority has the Director, deputy-director, professional framework and staff.
2. Authority`s structure and organization shall be regulated with sub-legal act issued by the Authority.

**Article 6**  
**The Authority`s Director**

1. The Authority shall be managed by Director.
2. The Authority`s Director shall be responsible for:
  - 2.1. administration and management of the Authority;
  - 2.2. organization and employment of personnel, issuing administrative instructions and taking decisions for issues belonging to Authority functions;
  - 2.3. efficient and effective management of resources entrusted to the Authority;
  - 2.4. managing the Authority`s budget and the ways for its expenditure;
  - 2.5. authority`s representation inside and outside the country;
  - 2.6. conclusion of cooperation agreements with other local and international institutions in compliance with applicable laws;
  - 2.7. engagement of experts outside the Authority.
3. The Authority`s Director shall exercise other duties determined by this Law.
4. In the absence of the Director, the Authority shall be managed by deputy-director.

**Article 7**  
**Procedure for Selection of the Director and Deputy-Director**

1. The respective parliamentary committee, six (6) months prior to expiry of the mandate of the Authority's Director and Deputy-Director, notifies the President of the Assembly on beginning of the procedure for selection of a new Director and Deputy-Director.
2. The committee shall announce public competition for position of the Authority's Director and Deputy-Director. The deadline for application of candidates shall be fifteen (15) days.
3. The candidates for position of the Authority's Director and Deputy-Director must fulfill the following conditions:
  - 3.1. to be citizen of the Republic of Kosovo;
  - 3.2. to have a university degree of four (4) years study or master degree;
  - 3.3. not to be convicted of criminal act, of over six (6) months imprisonment;
  - 3.4. to have high moral integrity;
  - 3.5. to have at least three (3) years experience in managerial works.
4. After the expiry of the foreseen deadline in paragraph 2. of this Article, the Committee, within terms of thirty (30) days, shall conduct interview with each candidate who fulfils conditions prescribed in paragraph 3. of this Article, to be elected as a Director or Deputy-Director of the Authority, and based on the interview results, shall prepare the short list with two (2) candidates to be voted in the Assembly.
5. The Assembly, with secret ballot, shall elect one of two (2) candidates proposed by the Committee for Director of the Authority, and one of the two (2) candidates proposed by the Committee for Deputy-Director of the Authority, by majority of votes of the Assembly deputies present in the session.
6. The Authority's Director and Deputy-Director shall be elected for a period of five (5) years, with the possibility of re-election for one more mandate.
7. The Authority's Director and Deputy-Director, during its mandate, cannot exercise political activities.
8. The Authority's Director and Deputy-Director, during its mandate, cannot exercise other public duties, for which he/she receives remuneration.

**Article 8**  
**Procedure for dismissal of the Director and Deputy-Director**

1. Director or Deputy-Director, with proposal of the respective parliamentary committee, shall be dismissed by the Assembly, due to failure in fulfilling the given mandate by this law.
2. Director and Deputy-Director shall be dismissed with majority of votes of the Assembly deputies that are present.

**Article 9**  
**The cease of the Director's and Deputy-Director's mandate**

1. The mandate of the Authority's Director shall cease in the following cases:
  - 1.1. death;
  - 1.2. physical or mental disability;
  - 1.3. conviction with final decision for commitment of a criminal offense;
  - 1.4. direct personal interests, marital or family in a license granted under the provisions of this Law and applicable laws;
  - 1.5. the financial benefits received from businesses regulated by this Law.

**Article 10**  
**Authority's Reporting**

1. The Authority presents annual report for the previous year in the Assembly of the Republic of Kosovo, at the latest by 31 March of the following year.
2. The report shall be published in the official languages in use in the Republic of Kosovo.
3. The report shall include all financial and operational activities of the Authority conducted during the previous year, including among others detailed performance indicators for each sector as established by this Law, and consolidated financial accounts for the previous year.

**Article 11**  
**Financial resources**

Authority is financed by the Budget of the Republic of Kosovo in accordance with the Law on Public Financial Management and Accountability.

**Article 12**  
**Financial management procedures**

Management of the Authority budget should be made in accordance with the Law on Public Financial Management and Accountability.

**Article 13**  
**Annual Budget**

The Authority during the preparation and submission process of its annual proposal-budget, shall meet all applicable requirements for the preparation and submission of the budget set out under the Law of Public Financial Management, and Accountabilities for Independent Agencies.

**Article 14**  
**Authority Fees**

1. The Service Provider shall pay a non-refundable application fee to the Authority, on the date that the application form applying for the issuance or renewal of a Service License is submitted to the Authority.
2. A Service Provider shall pay an annual license fee to the Authority in an amount of one and a half per cent (1.5%) of gross annual billing reported in its income statement for the previous year. Licensing annual fee shall be paid in twelve (12) equal installments. The first installment is due and payable on the first day of the calendar month following the month in which the Service License was issued to that Service Provider or renewed, and each subsequent installment becomes due on the first day of each subsequent calendar month.
3. The incomes from Authority`s fee shall be deposited in the Budget of the Republic of Kosovo.



## **CHAPTER II SERVICE PROVIDERS LICENSE**

### **Article 15 Service License**

1. No Person may provide a service in the Republic of Kosovo without a Service License for such Services.
2. The Authority shall issue regulation for Service License.

### **Article 16 Applications for issuance or renewal of a Service License**

1. Every Service Provider shall apply to the Authority for a Service License or for renewal of a Service License in the form prescribed by the Authority, together with the documents and information referred to in such application form.
2. The Authority shall confirm to a Service Provider within five (5) business days the receipt of the application and the documents provided therewith, as well as the fees paid to the Authority.
3. The Authority shall consider any application for the issuance or renewal of a Service License within a period of forty five (45) business days following the receipt of an application. A decision upon an application shall be made after the deadline provided that all information and documentation required to make a decision were made available by the Service Provider.
4. The Authority may request that the Service Provider submits additional information and documents relating to the application, in which case a decision upon the application shall be made after all additional information and documentation required were duly considered by the Authority.
5. A Service Provider may only apply to the Authority for the renewal of its Service License if all of the following conditions are met:
  - 5.1. if the Service License provides that it is renewable;
  - 5.2. if the Service Provider has complied with the conditions of license for services in all material respects; and
  - 5.3. if the application is submitted at least two (2) months prior to the date on which the Service License expires.

6. If the Authority decides to reject or not to renew a Service License to a Service Provider, it shall notify the Service Provider of the reasons in writing within ten (10) business days of that decision.

## **Article 17 Service Licenses**

1. Service Licenses shall be issued for a period not shorter than one (1) year and not longer than ten (10) years.

2. The Authority shall issue and renew Service Licenses if the applicant proves:

2.1. to possess adequate managerial, operational and technical expertise and resource for operation and maintenance to provide services up to the Service Standards and to the commercial standards;

2.2. financial solvency throughout the full term of the Service License;

2.3. accept responsibility for the provision of Services in the entire area of the Service Provider, determined with government's policies and plans for consolidation of Service Providers;

2.4. to refer the term of the Service Licence;

2.5. to provide all permits, consents, necessary authorizations from respective authorities;

3. The Service Provider shall comply with the terms and conditions of its Service License on the contrary the Service Provider may enter into an agreement with respect to the conditions of its Service License, including their amending, supplementing or replacing.

4. The Authority may revoke a Service License if the Service Provider:

4.1. has failed to comply with any necessary permits, consents or authorizations;

4.2. didn't pay taxes and/or fines;

4.3. has not remedied violation prior to the expiry of the Warning Period.

## **Article 18 Review of Service License Conditions**

1. The Authority in accordance with this Law shall review any conditions imposed on a Service License pursuant to the date specified for such review and on each anniversary of such date or at any other time any agreement referred to may specify so.

2. The Authority may amend, supplement or replace any conditions imposed on a Service License pursuant to paragraph 1. of this Article of this Law, following a review of such conditions on at least thirty (30) business days after written notice to the Service Provider. Such notice shall state the nature and extent of such amendment, supplement or replacement and the time when it shall take effect.

## **CHAPTER III SERVICE TARIFFS**

### **Article 19 Compliance with Service Tariffs**

1. A Service Provider shall charge its Customers for its Services in accordance with Service Tariffs set by the Authority in Service Tariff Order in accordance with this Law.
2. A Bulk Water Supplier shall charge a Service Provider for the supply of Bulk Water in accordance with Bulk Water Tariffs, set by the Authority in accordance with this Law.
3. The Authority shall issue a regulation and procedures to set tariffs.

### **Article 20 Setting and Reviewing Tariffs**

1. Every Service Provider or treated and untreated Bulk Water Supplier must apply to the Authority in the form prescribed by the Authority pursuant to the regulation issued under Article 47 of this Law for the approval of every tariff or any changes to an approved tariff.
2. Authority shall set the tariffs at the request of Service Providers, approves them or any tariff's changes of Service Provider, or untreated Water Supplier after consultation with the Customer Consultative Committee.
3. A Tariff or any change to a Tariff shall be determined in accordance with the regulations issued by the Authority pursuant to Article 47 of this law and with regard to the following criteria, whichever is applicable:
  - 3.1. the Long-Run Marginal Cost of providing the relevant Service and any suitable economical criteria commonly applied when calculating a similar Service Tariff in the European Union;
  - 3.2. the efficiency of the Service Provider measured by reference to key performance indicators set out in the regulations issued by the Authority pursuant to Article 47 of this Law;

- 3.3. the costs of providing a connection for the relevant Service are paid by the beneficiary of that service and are not covered directly or indirectly by other benefiterers of services from the Service Provider;
  - 3.4. the sufficiency of a Service Tariff to cover the operating and maintenance costs of the Service Provider and any capital expenditure plans of the Service Provider if those will be documented to be in function of service quality improvement that have been approved by the Authority;
  - 3.5. the responsibility of the Government Institutions, not Service Providers, to help low-income Customers to pay their invoices;
  - 3.6. the requirement to foresee a basic Service Tariff that is calculated at cost of production covering the minimum amount of water that is sufficient and safe for personal and domestic use and to prevent disease;
  - 3.7. the method by which the Service Provider proposes to charge the Service Tariff;
  - 3.8. the degree to which the Service Provider has, over the previous twelve (12) month period:
    - 3.8.1. has provided its Services in accordance with the applicable Service Standards;
    - 3.8.2. has complied with all relevant environmental standards applicable in Kosovo;
    - 3.8.3. has reduced the quantity of Non-Revenue and unsold Water;
  - 3.9. the fee payable by the Service Provider pursuant to paragraph 2. Article 14 of this Law; and
  - 3.10. a tariff for Untreated Water that takes into account the cost of supplying Untreated Water to the relevant Service Provider, and an appropriate margin of profit for the Untreated Water Supplier.
4. Upon consultation with the Customers' Consultative Committees, a Tariff shall be reviewed by the Authority, in accordance with the regulations issued under Article 47 of this Law, on each anniversary of the date it was set or approved by the Authority or at any other time the regulations or an agreement with the Service Provider or Untreated Water Supplier.
  5. Cult premises shall be exempted from payment for water services, in this exemption are not included following administrative and beneficiary premises.

## **CHAPTER IV SERVICE STANDARDS**

### **Article 21 Service Standards**

1. The Authority shall issue a regulation and procedures for Service Standards.
2. The Authority will set out service standards which shall include the following:
  - 2.1. for the provision of Water Services:
    - 2.1.1. the quality of water by reference to standards imposed by the competent health authorities;
    - 2.1.2. the water pressure in the pipes;
    - 2.1.3. supply availability;
    - 2.1.4. measurement of water;
    - 2.1.5. deadline for solution of appeals and for treatment of requests to connect to the water supply system and water service.
  - 2.2. for the provision of Sewage Services:
    - 2.2.1. frequency for sewage cleaning;
    - 2.2.2. frequency and time for repair of leakages and flooding for wastewater treatment.
3. Service Standards shall be reviewed in accordance with the regulations issued under Article 47 of this Law on each anniversary of the date such regulations were issued or at any other time as specified by the regulations or an agreement referred to in paragraph 4. of this Article.
4. The Authority may enter into an agreement with a Service Provider to amend, supplement or replace the Service Standards pursuant to Article 47 of this Law, or for details of such service standards.
5. Service Providers may require to be exempt from any service standard subject to conditions that the Authority deems appropriate upon consultation with the Customers' Consultative Committees.

**Article 22**  
**Compliance with Service Standards**

1. The Service Provider shall at all times comply with the service standards that are applicable to its services.
2. The Authority shall determine the values by which will be acceptable accomplishment of standards, in accordance with Article 21 of this Law.

**CHAPTER V**  
**CUSTOMERS` STATUTE**

**Article 23**  
**Customers` Charter**

1. The Authority shall issue a regulation and formats for Customers` Charter.
2. Service Provider shall provide the Customers a Customer Charter, based on regulations issued by the Authority, pursuant to Article 47 of this Law, which clearly states the mutual rights and obligations associated with the service provided.
3. The Customer Charter shall be compiled in the official languages of Kosovo.
4. The Customers` Charter shall be prepared in accordance with the provisions of the International Covenant on Economic, Social and Cultural Rights.
5. Each Service Provider shall comply with its mutual obligations, customers` obligations and the Service Contract.

**Article 24**  
**Service Contract**

1. Each Service Provider shall enter into a contract with each of its Customers setting out the general terms and conditions upon which it will provide Services to the Customer.
2. Each Service Contract shall be consistent with the Customers` Charter and shall be written in the form prescribed by the Authority in official languages of Kosovo.

**Article 25**  
**Register of Customers**

Each Service Provider shall establish and maintain a list of Customers that have entered into a Service Contract (Register of Customers) in accordance with regulations issued by the Authority pursuant to Article 47 of this Law, and shall protect confidentiality and proper use of the data kept at such Register of Customers.

**Article 26**  
**Customers' Consultative Committees**

1. The Authority shall issue a regulation for Customers' Consultative Committee.
2. The Authority shall establish a Customers' Consultative Committee for each Service Area in coordination with the relevant Municipality, the relevant Service Provider for the purposes of:
  - 2.1. customer consultation and making recommendations for the Authority related to any important issue, respectively regarding the provision of services;
  - 2.2. the decision making regarding the reviewed complaints, which are not treated correctly by the Service Provider.
3. New members of the Customers' Consultative Committee are representatives of municipalities who work within that area of service and they shall be nominated by the Authority pursuant to the proposal of respective municipalities.
4. The Authority supports Customer Consultative Committees activities in material, financial, administrative and professional aspect.

**CHAPTER VI**  
**DISCONNECTION OF WATER SERVICES**

**Article 27**  
**Prohibited Disconnections**

1. The Authority shall issue a regulation for disconnection.
2. No Water Service Provider shall disconnect any person, except in accordance with the Service Contract under this Law, or any other regulation relating to disconnections issued by the Authority. This Law and any regulation issued by the Authority shall prevail over the terms and provisions in the Service Contract in case of controversy regarding the Disconnections.

3. A Water Service Provider shall not disconnect the water service provided for residence of any Vulnerable Person.

4. A Water Service Provider may Disconnect Water Services if:

4.1. it is of the reasonable opinion that continuing to supply Water Services presents an immediate risk to the life or health of any natural person;

4.2. such disconnection is required for operational or maintenance purposes; or

4.3. the demand for water exceeds supply.

5. Service disconnections are done if all reasonable steps have been taken to eliminate the risk to the life or health of any vulnerable person caused by such disconnection and in the case foreseen under sub-paragraph 4.3. of this Article, that such disconnection has only been done after the Service Provider has rationed the available water to the best of its technical ability.

## **Article 28**

### **Grounds for Disconnection**

1. A Water Service Provider shall, upon the request of the Customer, Disconnect Water Services provided to premises occupied by the Customer in accordance with the Service Contract.

2. A Service Provider shall, upon the request of the Customer, Disconnect Water Services provided in accordance with the Service Contract to premises owned by the customer, but occupied by another person, if:

2.1. the occupant has agreed that the premises may be disconnected; or

2.2. a Disconnection Notice has been delivered to the premises to be disconnected in accordance with paragraph 1. of Article 29 of this Law.

3. A Service Provider may disconnect a customer if:

3.1. the customer has violated the Service Contract, provided that the customer has been notified of such violation and has failed to remedy it within a reasonable period of time given for such purpose;

3.2. the customer does not pay, or enter into a Payment Arrangement to pay an invoice within one calendar month of the date such invoice is due and payable;

3.3. the customer did not pay the required payment, in accordance with the agreement for payment after the notification and after reasonable possibility for making of such payment;



- 3.4. the premise is connected in unauthorized way;
- 3.5. the customer refuses to allow a representative of a Service Provider, duly identified with a card bearing his or her photo, access to its premises to install or read a meter, or to inspect or repair any property of the Service Provider on the customer's premises;
- 3.6. there is a visible, external leak on the customer's premises that the customer has not repaired, or has not made arrangements with the Service Provider to have it repaired, within five (5) business days of being requested to do so in writing by the Service Provider;
- 3.7. the customer has not paid the advance payment within the deadline;
- 3.8. there are reasonable grounds to believe that the customer has obtained Water Services contrary to the customers' charter;
- 3.9. any person has used Water Services supplied to the customer's premises for an unauthorized purpose;
- 3.10. the Water Services distribution network is at an immediate risk of severe loss or damage;

**Article 29**  
**Procedures for Disconnections**

1. A Disconnection Notice shall be delivered in official languages of Kosovo.
2. Disconnection shall be made from at least two (2) employees of service providers identified properly with a card with his or her photo on it.
3. A Water Services shall not be disconnected during overtime or on the day which is not a working day.

**Article 30**  
**Unauthorized Connections**

1. No Customer shall be unauthorizely Connected.
2. A Service Provider may initiate the criminal procedures to a competent court against any natural or legal person who has committed violation under the Criminal Code of Kosovo.

**Article 31**  
**Reconnection by the Service Provider**

1. A Service Provider shall reconnect the premises of a customer not later than twenty-four (24) business days, after such customer has paid all amounts due and payable to the Service Provider.
2. Any subsequent re-connection of the premise, either at the request of the customer or any other person shall be treated as a new connection and does not relieve the customer from its obligations, in respect of unpaid amounts toward the Service Providers.

**Article 32**  
**Unauthorized Reconnections and Manipulation with Water Meters**

1. No other person except the Service Provider who has made disconnection of customer to Water Services, has a right to make re-connection of the customer in Water Services.
2. If a customer is being disconnected from Water Services and is reconnected contrary to paragraph 1. of this Article, that customer shall be considered as unauthorizedly connected person. After Service Provider discovers unauthorized reconnection, shall implement the provisions set forth in Article 30 of this Law, which are applicable for unauthorized Connection.
3. Any Person other than the Service Providers does not have the right to install and maintain the equipment for measuring the water consumed, those located in the public area or on the customers' premises.
4. If a customer acts contrary to paragraph 3. of this Article, A Service Provider has the right to disconnect the customer from Water Services and to initiate judicial proceedings in a competent court.
5. A Service Provider has the right after consultation with the Authority to invoice the customer with financial damage that estimates caused as a result of manipulation with water meters.
6. A Service Provider may confiscate all equipment for Water Services, including all water measurement equipment used in facilities that continuously are re-connected in Water Services contrary to paragraph 1. of this Article

**Article 33**  
**Fees and Service Compensation**

1. A Service Provider may require the payment of fees and fees for services in amounts determined by the Authority under the service tariff order.

2. In the event that a Water and Wastewater Service Provider fails to follow the disconnection procedures foreseen in Article 29 of this Law, or in the regulations issued by the Authority, any affected Customer shall be entitled to receive adequate compensation as determined by the Authority from time to time.

#### **Article 34**

##### **Appeal to Customers' Consultative Committee**

1. Any customer affected by a disconnection that has not been effected in accordance with the provisions of this Law, or that has been any other rights accorded under the Customers' Charter and the Service Contract violated by the Service Provider, may file a complaint to the Service Provider that effected such disconnection.

2. If a customer who has made a complaint to a Service Provider pursuant to paragraph 1. of this Article, does not believe that its complaint has been satisfactorily resolved by the Service Provider within one calendar month of the date the complain reached the Service Provider, he may refer the matter in writing to the Customers' Consultative Committee located in the Service Area for resolution.

#### **Article 35**

##### **Payment Arrangements**

1. A Customer that has not paid invoices, which are due and payable to a Service Provider may request, in accordance with regulations issued by the Authority, the Service Provider to enter into an arrangement for the payment in installments of such invoices, provided that the customer pays all future invoices from the Service Provider as soon as they become due and payable.

2. If any installment payable under a Payment Arrangement is not paid within one calendar month of the date such installment falls due, the whole unpaid amount outstanding under the Payment Arrangement shall immediately become due and payable unless any other measures have been agreed with the Customer to remedy such default.

3. The terms and conditions of any Payment Arrangement that the Service Provider has granted shall be confirmed in writing and delivered to the billing address of the customer within five (5) business days of the granting of such arrangement.

## **CHAPTER VII REPORTING AND MONITORING**

### **Article 36 Reporting**

1. The Authority collects data and information, but not limiting to financial data, operational and customer services, that are needed to carry out its responsibilities under this Law or other applicable laws in the country.
2. A Service Providers shall submit to the Authority monthly, quarterly and annual reports with data, under the format and deadlines set by the Authority from time to time.

### **Article 37 Monitoring**

1. The Authority monitors continuously the services offered by Service Providers that should comply with the service standards set out in Article 21 of this Law, and after verification shall report continuously regarding the service levels achieved during the revised periods.
2. In order to generate the information required for monitoring and evaluation of the accomplishment of the service minimum standards, the Authority shall present formats that should be reported by the Service Provider.
3. The Authority monitors a performance of Service Provider and of the sector in general, in order to:
  - 3.1. ensure efficient operation of Service Providers and sector;
  - 3.2. determine the level to which Service Providers meet the objectives set by the tariff process;
  - 3.3. identify the corrective actions that may be necessary to improve the situation.
4. In order to monitor the performance, the Authority shall determine:
  - 4.1. data and reporting format by the Service Provider;
  - 4.2. indicators and more efficient methodology for monitoring and comparative evaluation;
  - 4.3. the key performance indicators, as well as to assess their weight.

5. The Authority publishes periodic and annual reports of performance, which unfolds in detail the performance evaluation as specified in paragraph 1. of this Article.

### **Article 38 Inspection**

In exercising its supervisory duties, the Authority carries out inspections by authorized persons. The role, competencies and inspectors' duties shall be regulated in more details with special act by the Authority.

## **CHAPTER VIII PUNITIVE AND ADMINISTRATIVE PROVISIONS**

### **Article 39 Punitive Provisions**

1. The Authority shall issue a regulation for punitive provisions.
2. A Service Provider shall be guilty of a violation and liable to pay an administrative fine from twenty thousand (20.000) up to fifty thousand (50.000) Euro if:
  - 2.1. provides a service without a Service License;
  - 2.2. supplies false, misleading, or inaccurate information to the Authority and thereby causing the Authority to issue or renew a Service License;
  - 2.3. breaches the conditions of its Service License or Service Standards and in doing so creates a serious risk to:
    - 2.3.1. human health of life;
    - 2.3.2. the environment; or
    - 2.3.3. assets needed for the provisions of services;
  - 2.4. supplies water unfit for human consumption; or
  - 2.5. abandons the provision of service without a cause acceptable to the Authority.
3. A Service Provider shall be guilty of a violation and liable to pay an administrative fine from five thousand (5.000) up to twenty thousand (20.000) Euro if it:

- 3.1. repeatedly or persistently breaches its essential duties as identified and set out in regulations issued by the Authority pursuant to this Law; or
  - 3.2. unlawfully discriminates against any person or group of persons.
4. A Service Provider shall be guilty of a violation and liable for an administrative fine from one thousand (1.000) up to five thousand (5.000) Euro if it:
  - 4.1. fails to comply with this Law in any other instances than those pertaining to paragraph 2. and 3. of this Article or any regulation issued by the Authority pursuant to this Law; or
  - 4.2. charges tariffs that have not been set or approved in accordance with this Law.
5. The payment of any administrative fines for any violations foreseen in this Article, shall not exonerate the Service Provider from the obligation to remedy such violations, or compensate the customer affected by it in accordance with this law or any regulations issued by the Authority pursuant to Article 47 of this Law.

#### **Article 40** **Warning Notice**

1. If the Authority, having made reasonable investigations, is satisfied that a Service Provider has committed a violation pursuant to Article 39 of this Law, or that a Service License should be revoked for reasons set out in paragraph 4. Article 17 of this Law, it shall send a written notice to such Service Provider stating:
  - 1.1. the nature of the violation the Service Provider is believed to have committed, the evidence supporting the belief that such violation has been committed, the administrative fine and other potential consequences of such violation;
  - 1.2. the reasons why the Authority believes the Service Licence should be revoked and the circumstances that warrant such revocation if not remedied within the period specified by the Authority in the written notice;
  - 1.3. that the Authority can fine service provider or, if it is important, to take its service license if the circumstances that affected to the violation, or which justify obtaining a license for services are not remedied within the duration of warning notice; and
  - 1.4. that the Service Provider has fifteen (15) business days to provide the Authority with a written statement of any matters it wishes to be taken into account in its defence, such as facts mitigating its liability and any other relevant evidence.

2. At the end of the warning period, the Authority shall issue a decision to the Service Provider stating:

2.1. whether a violation has been committed and whether the circumstances giving rise to such violation have been remedied to the satisfaction of the Authority;

2.2. whether circumstances warranting the revocation of the Service Licence have been remedied to the satisfaction of the Authority;

2.3. if the circumstances giving rise to the violation or warranting the revocation of the Service Licence have not been remedied to the satisfaction of the Authority:

2.3.1. the amount of any administrative fine and when it is due and payable;

2.3.2. that the Service Licence is revoked.

2.4. the right of the Service Provider to apply within one (1) month to the Review Committee to review the decision.

3. Any administrative fine imposed on a Service Provider pursuant to Article 39 of this law shall be due and payable to the Authority:

3.1. one (1) month after the date on which the decision was issued by the Authority; or

3.2. if the Service Provider has applied to the Review Committee to review such decision, the day that the Review Committee delivers its decision.

4. Interest at the rate of five per cent per annum (5% pa) shall accrue on any amount outstanding under Article 39 of this Law and shall be added to that amount on the first day of every month.

#### **Article 41 Review Committee**

1. A Service Provider may apply to the Review Committee to review any decision made by the Authority pursuant to paragraph 2. Article 40 of this Law, provided that such application is made in writing within one (1) month of the date of the Authority's decision. For the avoidance of doubt, tariff orders, administrative instructions and regulations issued by the Authority pursuant to this Law, shall also be subject to review by the Review Committee, if a Service Provider applies for such review.

2. The Review Committee shall be comprised of a Chairperson appointed by the Assembly of the Republic of Kosovo, one (1) member appointed by the Authority and one (1) member appointed by the Service Provider that has filed the request for review.
3. The Review Committee shall adopt the procedure to be applied in considering matters referred to the Review Committee.
4. After considering the representations of the Service Provider and the Authority, the Review Committee shall give the Service Provider and the Authority, a detailed written decision within thirty (30) days.
5. The Authority shall provide an appropriate administrative and logistics assistance to the Review Committee.

**Article 42**  
**Procedure for Selection of the Chairperson of the Review Committee**

1. The respective parliamentary committee, six (6) months prior to expiry of the mandate of the Chairperson of the Review Committee, notifies the President of the Assembly on beginning of the procedure for selection of a new Chairperson.
2. The committee shall announce public competition for position of the Chairperson of the Review Committee. The deadline for application of candidates shall be fifteen (15) days;
3. The candidate for position of the Chairperson of the Review Committee must fulfill the following conditions:
  - 3.1. to be citizen of the Republic of Kosovo;
  - 3.2. to have a university degree of four (4) years study or master degree;
  - 3.3. not to be convicted of criminal act, of over six (6) months imprisonment;
  - 3.4. to have high moral integrity;
  - 3.5. to have at least three (3) years of professional experience.
4. After the expiry of the foreseen deadline in paragraph 2. of this Article, the Committee within terms of thirty (30) days, shall conduct interview with each candidate who fulfils conditions prescribed in paragraph 3. of this Article, to be elected as a Chairperson of the Review Committee, and based on the interview results, shall prepare the short list with two (2) candidates to be voted in the Assembly.
5. The Assembly with secret ballot shall elect one of two (2) candidates proposed by the Committee for Chairperson of the Review Committee, by majority of votes of the deputies of the Assembly present in the session.



6. Chairperson of the Review Committee shall be elected for a three (3) years mandate, with the possibility of only one mandate for re-election.

7. Chairperson of the Review Committee, during its mandate, can not exercise political activities.

8. Chairperson of the Review Committee must not be in employment relationship in public companies licensed by the Authority.

9. Chairperson of the Review Committee has not fixed term employment relationship and his/her compensation is made pursuant to the engagement when necessary and is paid from the Budget of the Authority.

### **Article 43**

#### **Procedure for dismissal of the Chairperson of the Review Committee**

1. Chairperson of the Review Committee, with proposal of the respective parliamentary committee, shall be dismissed by the Assembly, due to failure in fulfilling the given mandate by this law.

2. Chairperson of the Review Committee shall be dismissed with majority of votes of the Assembly deputies that are present.

### **Article 44**

#### **The cease of the mandate of Chairperson`s of the Review Committee**

1. The mandate of the Chairperson of the Review Committee shall cease in the following cases:

1.1. death;

1.2. physical or mental disability;

1.3. conviction with final decision for commitment of a criminal offense;

1.4. direct personal interests, marital or family in a license granted under the provisions of this Law and applicable laws;

1.5. the financial benefits received from businesses regulated by this Law.

**Article 45**  
**Judicial Review**

1. Any Service Provider may apply to a court of competent jurisdiction in Kosovo for judicial review of a decision of the Review Committee, provided that such application is made within one (1) month of the date the Service Provider has been notified in writing of the relevant decision from the Review Committee. In reviewing such decision the court shall not substitute the Authority's administrative discretion with its own discretion.
2. A Service Provider may request a court of competent jurisdiction to suspend a decision of the Authority to revoke a licence' if the Service Provider intends to apply for the decision to be reviewed and can demonstrate that the effects of such revocation of the license by the Authority would be irreversible in case the decision was overruled at a later stage by the Review Committee or a court of competent jurisdiction. Any such suspension shall terminate upon the decision of the Review Committee or the court of competent jurisdiction or, if earlier, the expiry of the period in which the Service Provider must apply to the Review Committee or the court for review.
3. In the event that the court finds that the Service Provider was not guilty of a violation or reduces the administrative fine previously imposed on it, the Authority shall repay all or the relevant part of the amount it received on account of the administrative fine together with interest at the rate of one per cent per annum (1% pa).

**Article 46**  
**Written Communications**

1. The Authority may send any written communication to a Service Provider by mail or courier to the address most recently supplied to the Authority by such Service Provider.
2. A written communication sent to a Service Provider shall be deemed received by the relevant Service Provider within five (5) business days, of the date on which the Authority, can prove it was sent.

**CHAPTER IX**  
**FINAL AND TRANSITIONAL PROVISIONS**

**Article 47**  
**Regulations issued by the Authority**

1. The Authority in terms of twelve (12) months from the day of entrance into force of this Law shall issue other regulations and forms required under this Law.
2. Any amendment, supplement or replacement to the regulations issued under paragraph

1. of this Article shall be effected, after consultation with the relevant parties, pursuant to the manner on which the Authority and the Service Providers have agreed.

3. The Authority may at any time amend, supplement or replace the regulations and prescribed forms issued pursuant to paragraph 1. of this Article provided that it gives at least thirty (30) business days notice in writing to the Service Providers. Such notice shall state the nature of the amendment, supplement or replacement and the date when it shall take effect.

### **Article 48**

#### **Review of internal acts of Service Providers**

The Authority will review and approve the internal acts of Service Provider in regulatory aspect, in order to ensure that they are in compliance with the legislation.

2. Acts that must be drafted by the Service Providers and approved by the Authority, include:

2.1. business plans;

2.2. assets` management plan;

2.3. long-term investment plans;

2.4. dryness management plans;

2.5. water supply plans in emergency situations;

2.6. internal regulations and procedures of Service Providers regarding the special aspects of their work, such as:

2.6.1. solution of customers complaints;

2.6.2. connection of consumers to the service;

2.6.3. measuring and billing;

2.6.4. service termination.

**Article 49**  
**Transitional Provisions**

1. Director, deputy-director and Chairperson of the Review Committee, who have been appointed in accordance with Law on Amending the UNMIK Regulation 2004/49 on the Activities of Water, Wastewater and Waste Service Providers No. 03/L-086, shall serve in their positions until the end of their mandate, and may be reappointed once again by this Law.
2. All existing regulations shall be valid until the issuance of regulations in compliance with this Law.

**Article 50**  
**Abrogation Provisions**

With entry into force of this law, the UNMIK Regulation 2004/49 on the Activities of Water, Wastewater and Waste Service Providers and the Law No.03/L-086 on Amending the UNMIK Regulation 2004/49 on Activities of Water, Wastewater and Waste Service Providers, shall be abrogated.

**Article 51**  
**Entry into Force**

This Law shall enter into force fifteen (15) days after its publication in the Official Gazette of the Republic of Kosovo.

**Law No. 05/L-042**  
**14 December 2015**

**President of the Assembly of the Republic of Kosovo**

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**Kadri VESELI**