Responding to the Coronavirus Crisis  
Update on Kosovo (13/05/20)

EBRD Policy Comparator

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Economic channels of disruption
Private consumption, services, trade
- Severe lockdown (curfew, schools, all non-essential businesses closed and air traffic significantly reduced) has caused sharp halt to economic growth.
- Services sector to be hit hard due to shut down of businesses.
- Remittances (close to 16% of GDP) to decline, with a negative impact on consumption.

Key crisis impact indicators

EBRD GDP growth outlook (May 2020)
- 2020: -5%
- 2021: 7.5%

Decline in number of airplane passengers (March 2020)
- 52.0% year-on-year

Estimated daily losses from the pandemic (Minister of Finance, May 2020)
- around EUR 6 million

Crisis response measures to date

Support for healthcare, workers and businesses
- The government has approved an emergency relief package to support affected sectors, boost health expenditures and assist socially vulnerable people.
- Provision of interest-free loans to publicly-owned enterprises (with maturity period until the end of 2020)
- Central Bank of Kosovo issued a moratorium on loan repayments for distressed borrowers until 30 April (with the possibility of extension), to be decided on a case-by-case basis by the lender.

Key crisis response indicators

Emergency relief package
- EUR 179.6 million

Support to employee salaries (1st phase, two months)
- Minimum wage of EUR 170 plus pension contributions
- EC MFA: EUR 100 million
- EU: EUR 68 million (reallocated from IPA)

Committed external assistance
- IMF’s RFI: EUR 51.6 million
- CEB: EUR 35 million
- Germany: EUR 13.5 million (grants)

Key short-term priorities
Provide support to vulnerable households plus support for SMEs and essential SOEs

To learn more about EBRD’s support to Kosovo visit: [https://www.ebrd.com/kosovo.html](https://www.ebrd.com/kosovo.html)

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