Republika e Kosovës
Republika Kosova - Republic of Kosovo
Qeveria - Vlada - Government
Ministria e Financave
Ministarstvo za Finansije – Ministry of Finance
Departamenti i Buxhetit - Budget Departament - Budzet Departament

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REFERENCË	Nr.-173
PËR/ZA/TO:	Mr. Naim R. Zeqiri, Director of Legal Department, MEE
CC	Mr. Blerim Kuçi, Minister, MEE Mr. Mentor Sylmeta, Acting Secretary General, MEE
PËRMES/PREKO/THROUGH:	Mr. Enis Spahiu, Deputy Secretary General, MF
NGA/OD/FROM:	Salvador Elmazi, Director of Budget Department, MF
TEMA/SUBJEKAT/SUBJECT:	Opinion of the Budget Department on Budgetary Impact Assessment for Draft Law on Electronic Identification and Trust Services in Electronic Transactions.

Honorable Mr. Zeqiri,

Based on the request for budgetary impact assessment for the draft law on electronic identification and trust services in electronic transactions, the budgetary impact assessment form submitted by the proposer: Ministry of Economy and Environment (MEE), the obligation under Article 9 of Law No. 03/L-221 on Amending and Supplementing the Law No.03/L-048 on Public Finance Management and Accountability as well as according to Article 19 of Law No. 07/L-001 on Budget Appropriations for the Budget of RKS for year 2020, the Budget Department presents:

I. GENERAL ASPECTS OF DRAFT LAW

The draft law on electronic identification and trust services in electronic transactions aims to regulate the manner and schemes of electronic identification, regulate the conditions of use of electronic signature, electronic stamp, electronic time stamp and equipment for their creation, regulation of transmission services recommended for legal transactions, litigation and other proceedings, regulation the conditions for the issuance and use of qualified certificates for the certification of services and the authentication of the website as well as the regulation of entrusted

services in electronic transactions and electronic documents. This draft law will apply to electronic identification schemes and to trust service providers in electronic transactions.
Supervision of the implementation of this draft law will be done by the Ministry of Economy and Environment in the form that will be responsible: to maintain, update and publish in electronic form the List of qualified providers of trust services; review audit reports received from the inspection officer; order extraordinary audits; as well as to cooperate with the relevant state agency of personal data protection.
Draft Law on Electronic Identification and Trust Services in Electronic Transactions transposes EU Regulation No. 910/2014-Regulation eIDAS (electronic Identification, Authentication and trust Services).

INDEPENDENT OPINION OF THE BUDGET DEPARTMENT ON BUDGETARY IMPACT ASSESSMENT (BIA)

The Ministry of Economy and Environment (MEE) as the proposing body has prepared the budgetary impact assessment for the draft law on electronic identification and trust services in electronic transactions and has submitted it in the budgetary impact assessment form. According to MEE assessments, this draft law has a total cost of 4,012,232 € for the years 2020-2022. The Budget Department concludes that there is no difference between the cost estimated by the MEE and the cost verified by the Budget Department, and that the implementation of this draft law does not create additional budgetary costs for the budget of the Republic of Kosovo. The cost of the draft law on electronic identification and trust services in electronic transactions distributed over the years and expenditure categories is as follows:

Expenditure category	Year 2020	Year 2021	Year 2022	Total
No. of employees	2	2	2	
Wages and allowances	€1,396	€4,208	€4,229	€9,832
Goods and services	€400	€1,000	€1,000	€ 2,400
Capital expenditure	€2,000,000	€2,000,000	€	€4,000,000
Total	€2,001,796	€2,005,208	€5,229	€ 4,012,232

Out of abovementioned cost the amount of 12,232 € will be financed from the Kosovo Budget while the amount of 4,000,000 € will be financed by donors.

Expenditure category	Year 2020	Year 2021	Year 2022	Total
No. of employees	2	2	2	35
Wages and allowances	€1,396	€4,208	€4,229	€9,832
Goods and services	€400	€1,000	€1,000	€2,400
Total	€1,796	€5,208	€5,229	€12,232

Donors	Viti 2020	Viti 2021	Total
IPA 2019	€2,000,000	€2,000,000	€4,000,000

Costing includes 2 officials of DPTTIK within MEE who in 30% of their time will be engaged in the implementation of tasks deriving from this draft law, one in certification activities and one in inspection activities. Goods and services include associated operating costs, whereas donor funds will be used to establish and functionalize the national system e-ID (electronic Identification).

Conclusion:

The Budget Department in the Ministry of Finance assesses that the Draft Law on Electronic Identification and Trust Services in Electronic Transactions will not create additional budgetary costs for the budget of the Republic of Kosovo. The assessed cost for the implementation of this draft law is 4,012,232 € for the years 2020-2022 and according to Law No. 07/L-014 on supplementing and amending Law No. 07/L-001 on Budget Appropriations for the Budget of the Republic of Kosovo for year 2020 is within the budget appropriations for the Ministry of Economy and Environment.

Prepared by: Zana Radoniqi, Senior budget analyst _____.
Confirmed by: Milaim Aliu, Head of central budget division _____.