

ELECTION YEAR AND PUBLIC CONTRACTS

Integrity trends in four
municipalities of Kosovo

Podujeve



Election Year and Public Contracts:
Integrity Trends in Four Kosovo Municipalities
Podujeve

December, 2025

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Programe: Democratic governance

Published: December, 2025

ENG

This product was developed within the project “MAP – Municipal Action for Political Integrity”, funded by the Kosovo Democratic Institute – as part of the co-financing between the projects “Youth and Civil Society for Integrity”, funded by Sweden (Sida), and “Integrity Monitoring in the Western Balkans and Turkey”, funded by the European Union (EU). The content of this product is the sole responsibility of the beneficiary and does not necessarily reflect the views of KDI as a sub-grant provider, nor of the donors – Sweden and the EU.

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Ovaj proizvod je razvijen u okviru projekta “MAP – Municipal Action for Political Integrity”, koji finansira Kosovski Demokratski Institut – kao deo sufinansiranja između projekata „Mladi i civilno društvo za integritet“, koji finansira Švedska (Sida), i „Praćenje integriteta na Zapadnom Balkanu i u Turskoj“, koji finansira Evropska unija (EU). Sadržaj ovog proizvoda je isključiva odgovornost korisnika i ne odražava nužno stavove KDI kao dobavljača podgrantova, niti donatora – Švedske i EU.



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Introduction

This report was prepared within the framework of the MAP – Municipal Action for Political Integrity project, with the aim of assessing institutional behavior in the Municipality of Podujeva during the 2025 election period, with a particular focus on public procurement. Procurement processes represent one of the most sensitive components of governance integrity, especially in an election year, when political pressure increases to make significant investments and manage public funds efficiently. The analysis of this report aims to highlight changes in the pace, volume and structure of public contracting throughout the three phases of the process: before the elections, during the campaign and after the elections..

The main goal is to understand whether and to what extent the electoral dynamics have influenced procurement decision-making at the local level. For this reason, the report uses multi-year comparative data (2021–2025), creating a solid analytical basis that allows for the identification of unusual trends – such as a sudden increase in contracting, increased use of framework contracts, or the orientation of projects towards the nature of the campaign.

In addition to data analysis, the report also draws on the findings and methodologies used in existing KDI reports on political integrity at the local level. This integrated approach allows for a more accurate assessment of the risk of misuse of public funds and the level of institutional transparency in a period of heightened political tension.

The European Commission’s 2025 annual report on Kosovo notes that “integrity in the public service remains a challenge”. Among the main points mentioned are the delays in finalising and approving integrity plans for institutions, while their quality remains inadequate. This increases the need for an analysis of public procurement at the municipal level, especially during the election period. In this context, the report on the Municipality of Podujeva aims to assess whether the practices of the local institution carry elements of the pattern identified by the Commission – for example, lack of administrative stability, increased contracting in election years and the use of framework contracts or accelerated procedures.

As part of the MAP project objectives, the report aims to provide a clear picture of how procurement practices evolve in an election year and contribute to increasing accountability, transparency and civic awareness. The findings will serve as a basis for consultative discussions at the local level and for practical recommendations aimed at strengthening integrity in procurement in election periods and beyond.

Methodology

The methodology of this report is based on the comparative analysis of public procurement data for the 2025 election period, following the well-known practices of OECD/SIGMA, Transparency International and the World Bank for assessing institutional behavior in electoral contexts. The approach aims to measure whether and how the dynamics of contracting in the Municipality of Podujeva change using a clear time frame and a set of indicators harmonized with existing integrity analyses at the local level. The date of the first round of the 2025 local elections, 12 October 2025, serves as a reference point (“t = 0”) to standardize comparisons and ensure analytical objectivity. Although data from 2021–2025 are included to build a multi-year trend, the year 2025 remains the central focus of the interpretation.

Procurement data is collected from the official public procurement platform and additional documents of procurement planning and implementation at the municipal level. Contracts are categorized by type, value and date of signature, excluding those cancelled or without final value. In addition to the quantitative analysis, the report integrates qualitative assessments from KDI's integrity reports, which serve as a reference framework for interpreting procurement practice in terms of transparency, access to data, use of exceptional procedures and the influence of political factors.

To assess institutional behavior during the election period, three time intervals have been defined, which allow for the measurement of deviations from normal procurement rates:

- a) **Pre-Election Period**
Includes the 90 days before Election Day, a period when incentives are increased to expedite tenders and capital projects. Time limits: July 14, 2025 – October 12, 2025.
- b) **During the elections (Election-Period Window)**
Includes 14 days before and 14 days after election day, an interval usually characterized by institutional uncertainty and slow administrative processes. Time limits: September 28, 2025 – October 26, 2025.
- c) **After the elections (Post-Election Period)**
Includes the 30 days following the election date, a transition period where the administration stabilizes priorities and procurement processes gradually return to normal. Timelines: October 12, 2025 – November 11, 2025.

This time frame, combined with an integrated analysis of financial data and the nature of contracted projects, enables the identification of unusual increases in contracting, changes in contract typologies, and trends related to electoral dynamics. In this way, the report aims to provide a reliable assessment of procurement integrity in the critical election year of 2025 and contribute to increasing transparency and accountability at the local level.

Capital Investments and Their Importance in Local Governance

Capital investments constitute a key component of local governance, as they are directly related to the most fundamental obligations of municipalities towards citizens. The role and responsibilities of municipalities are clearly defined by Law No. 03/L-040 on Local Self-Government, which grants municipalities full and exclusive competences in areas that are core to local development and public welfare. In this context, capital investments are the means through which municipalities exercise these competences – from local economic development and urban planning, to public services, infrastructure, education, primary health care and environmental protection.

Podujeva, as a municipality with a large territory and a population spread across many villages, has a distinct rural-urban profile. The municipality serves as a connecting node between Pristina and the border crossing in Merdare, with particular importance for road infrastructure, logistics and cross-border trade. This territorial structure creates a need for extensive investments in local roads, sewerage, water supply and educational infrastructure, alongside the pressure to improve public spaces in the city and adapt them to demographic growth.

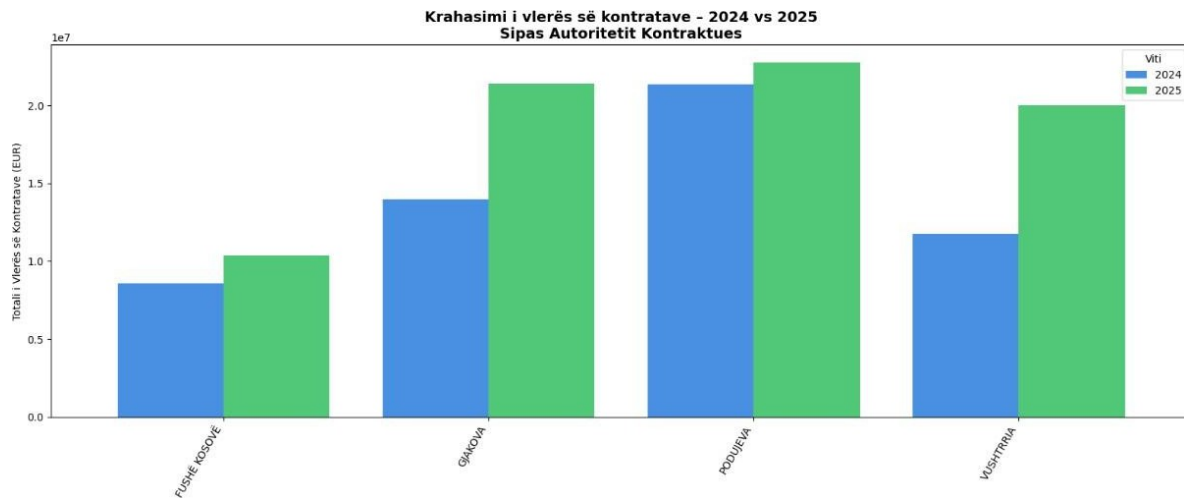
In national sectoral analyses, Podujeva appears as one of the municipalities with a relatively high volume of capital projects, especially in road infrastructure and educational facilities. A significant part of the projects is financed from the municipal budget, while the rest comes through grants from the central level and donor programs for local development. However, as in many other municipalities, the investment structure remains mainly focused on traditional sectors (roads, sidewalks, sewerage), while initiatives oriented towards local economic development, recreational spaces or innovation in public services do not always receive the appropriate budgetary weight.

In this sense, the capital investments of the Municipality of Podujevo should be understood as the result of a combination of factors: legal obligations, demands of urban and rural communities, dependence on central funds and challenges in long-term planning. This report aims to analyze how these investments behave in the election period, assessing whether the contracting trends are consistent with their legal and developmental function or deviate towards politically motivated patterns.

Contracting and work in an election year

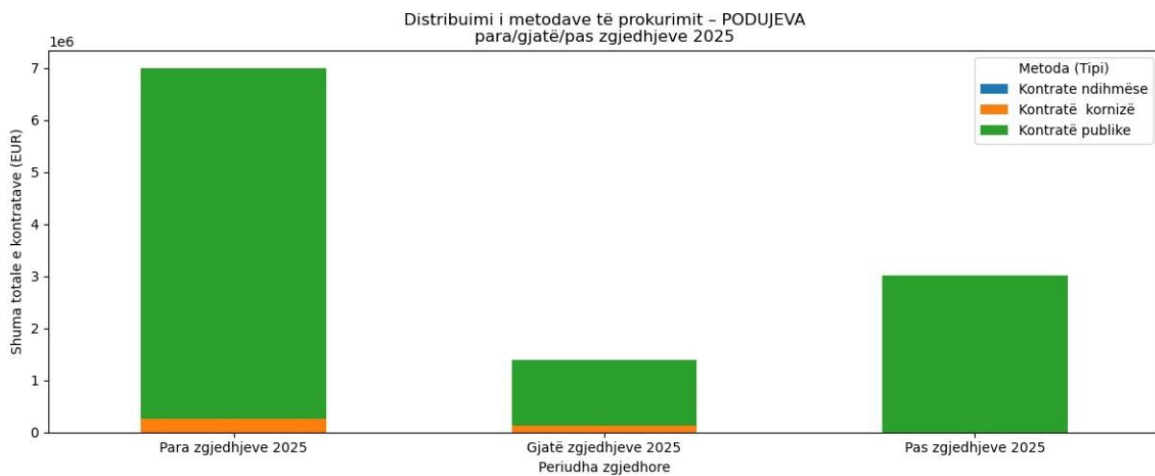
Data analysis for the four selected municipalities – Fushë Kosovë/Kosovo Polje, Gjakova, Podujevo and Vushtrri – shows a significant increase in the value of contracts during the 2025 election year, compared to 2024. The inter-municipal comparison of the total value of contracts (2024–2025) shows that all municipalities have recorded an increase, exceeding typical annual procurement movements and suggesting that 2025 has been particularly busy with capital investments at the local level.

Në rastin e Komunës së Podujevës, të dhënat e periudhave zgjedhore (para, gjatë dhe pas zgjedhjeve) e bëjnë këtë fenomen më konkret. Para zgjedhjeve, komuna ka nënshkruar kontrata në vlerë totale 6,993,930 €, prej të cilave 6,730,030 € janë kontrata publike dhe 263,900 € kontrata kornizë, ndërsa nuk rezultojnë kontrata ndihmëse. Kjo shumë përfaqëson një volum të madh investimesh të përqendruara në dritaren 90-ditore para ditës së votimit, duke e vendosur Podujevën në grupin e komunave me rritje të fortë të aktivitetit investiv në prag zgjedhor.



During the election period (± 14 days from 12 October), the total value of contracts falls to €1,386,734, of which €1,252,992 are public contracts and €133,742 are framework contracts. After the elections, in the 30-day period monitored, contracts worth €3,021,688 are signed, all in the form of public contracts. In total, for the three monitored windows (before/during/after the elections) the amount reaches around €11.4 million, with a clear concentration in the pre-election period.

A comparison of the 2021 and 2025 pre-election periods reveals an even greater intensification of activity. In 2021, the value of contracts in the 90 days before the elections reached €3,014,142, while in 2025 this value increases to €6,993,930. This represents an increase of over 130% within the same time window, suggesting that Podujeva has more than doubled the volume of pre-election procurement compared to the previous election cycle.

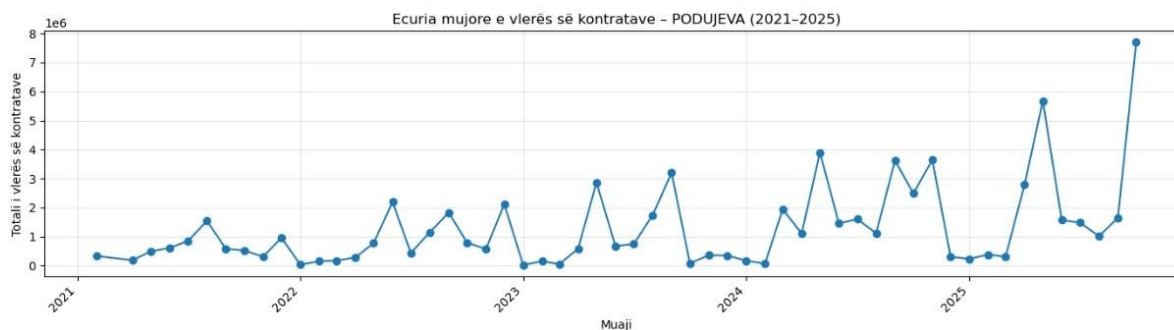


The distribution chart according to procurement methods (before/during/after the elections) deepens this finding. In all three periods, public contracts dominate convincingly, while framework contracts appear as a complementary instrument and ancillary contracts are completely absent. Before the elections, the value of public contracts reaches over 6.7 million euros, during the elections around 1.25 million euros, and after the elections around 3 million euros. This model shows that the vast majority of projects with financial weight are signed as open public contracts on the eve of the elections, while the window during and after the elections carries a much smaller relative weight.

PODUJEVA

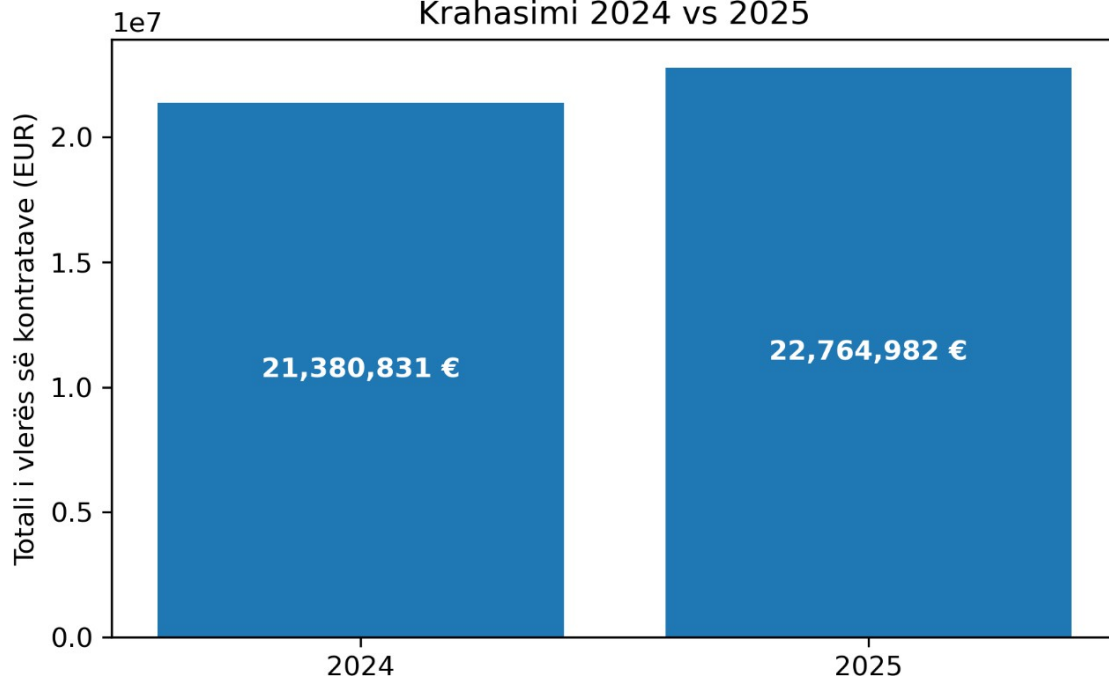
Tipi	Kontratë kornizë	Kontratë publike	Total
Para zgjedhjeve 2025	263,900	6,730,030	6,993,930
Gjatë zgjedhjeve 2025	133,742	1,252,992	1,386,734
Pas zgjedhjeve 2025	0	3,021,688	3,021,688

The analysis of the monthly performance of the value of contracts for the period 2021–2025 in the Municipality of Podujeva presents a similar pattern to the other municipalities of the study. For most of the period, monthly expenditures fluctuate at moderate levels, but in some months – especially in 2025 – high peaks appear with values of several million euros in a single month. These deviations indicate that the signing of contracts is not distributed evenly throughout the year, but is concentrated in certain periods, often close to key budgetary or political moments. This “cumulative effect” may be related to the finalization of multi-year projects, procedural delays in procurement, but also to the need to materialize projects visible to citizens.

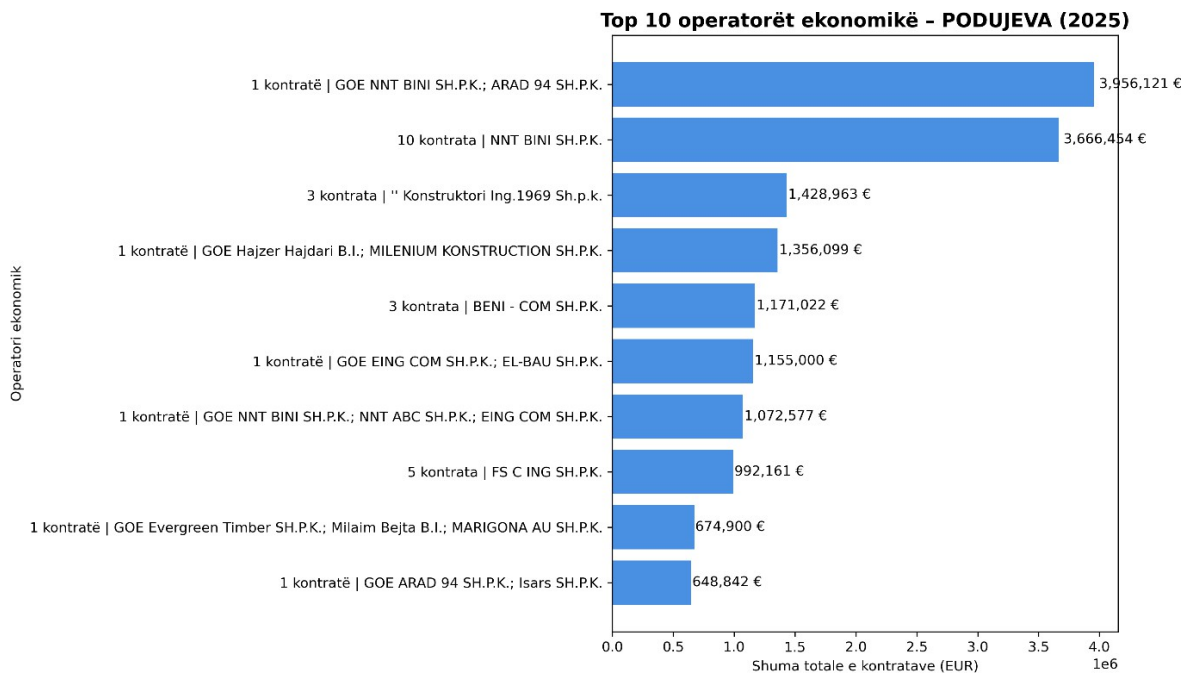


The comparison between 2024 and 2025 for Podujevo shows a more moderate, but still significant, increase. The total value of contracts rises from €21,380,831 in 2024 to €22,764,982 in the 2025 election year – an increase of around 6.5%. Although the percentage is lower than in municipalities with a stronger annual overrun, the fact that within this overall volume pre-election contracts have more than doubled compared to 2021 shows that the election cycle has influenced the internal distribution of expenditures during the year.

Vlera e kontratave - PODUJEVA Krahasimi 2024 vs 2025



The chart of “Top 10 economic operators – Podujeva (2025)” brings an important dimension to the analysis of procurement integrity. At the top of the list is GOE NNT BINI SH.P.K.; ARAD 94 SH.P.K. with around 3.96 million euros in a single contract, followed by NNT BINI SH.P.K. with 3.67 million euros in 10 contracts. These two entities (individually and as part of consortia) represent a very significant part of the total value.



Next in line are “Konstruktori Ing.1969” Sh.p.k. with around 1.43 million euros in three contracts, GOE “Hajzer Hajdari” B.I.; “Milenium Konstruktion” Sh.p.k. with 1.36 million euros, as well as other operators with values from around 650 thousand to around 1.17 million euros. This structure shows a high concentration of public funds in a few operators – especially around NNT Bini and the consortia in which it is included – while a larger number of medium-sized contracts are distributed to several other local companies. This profile increases the need for careful monitoring of competition and contract management for these main operators.

Other challenges in financial management and public integrity

Financial management and public integrity at the municipal level continue to represent significant challenges throughout Kosovo, as regularly highlighted in EU progress reports, SIGMA/OECD assessments and analyses by local monitoring organisations such as KDI and GAP. These documents highlight that a number of municipalities continue to have difficulties in strategic planning, executing capital investments and complying with public accounting standards. As a result, the quality of project implementation, preparation of financial documentation and efficiency of spending at the local level are affected.

1. Planning and implementation of capital investments

According to national and international assessments, municipalities often face delays in the implementation of capital projects, which are related to deficiencies in technical documentation, property issues, or insufficient planning of project phases. Municipal performance reports show that failure to prepare prerequisites – such as drafting executive projects or securing full financial resources – often results in projects being carried over to subsequent years.

Additionally, country-level audit reports highlight instances of incorrect classification of expenditures and failure to timely register capital assets, which creates discrepancies between accounting records and the actual state of municipal assets. These weaknesses undermine financial transparency and impact municipalities’ ability to meet performance funding criteria, which rely on regular and balanced execution of investments.

2. Challenges in public procurement

EU, SIGMA/OECD and monitoring organisations’ assessments highlight that public procurement remains one of the areas most vulnerable to deviations from the principles of competition and integrity. At the country level, cases have been identified where technical specifications are drafted in a way that restricts competition or does not reflect the real needs of the project. Also, the lack of regular recording of contract progress in electronic systems and incomplete documentation of economic operators’ performance represent recurring challenges.

According to SIGMA's assessments, the capacities of contracting authorities – including municipalities – remain limited in managing large infrastructure contracts, which increases the risk of overruns, unforeseen costs and weaknesses in monitoring the quality of works.

3. Political context and election years

EU reports and analyses by independent institutions have pointed out that public investments at local level are often sensitive to election cycles. Election years are usually characterized by an intensification of investment activities and an increase in contracting, while post-election periods mark a slowdown in the pace of implementation. Although this phenomenon cannot be fully attributed to political motivations, the reports emphasize that the combination of budget cycles, prolonged procedures and electoral expectations creates additional pressure on contracting authorities.

Similarly, central-level assessments of the distribution of capital investments have raised concerns about inequity in the allocation of funds, which feeds perceptions of politicization of investments and violation of public integrity standards. These dynamics also affect individual municipalities, which operate within this broader fiscal and political framework.

4. Administrative challenges and internal control

Weaknesses in internal financial and administrative control remain one of the most frequent findings in audit and monitoring reports. Municipalities often face payment delays due to poor liquidity management, unforeseen legal obligations or lack of planning of expected accounts. Inconsistencies in the classification of expenditures and shortcomings in asset management – in particular the failure to register capital assets and incomplete inventory – increase the risk of material errors and minimize the accuracy of the financial statement.

The EU reports also highlight that local corruption and public integrity remain significant challenges, particularly in the area of public procurement. Although data transparency has made progress, the publication of information is still mainly in non-open formats, which makes analytical monitoring by the public and civil society difficult.

Conclusions

The analysis of public procurement in the Municipality of Podujeva for the 2025 election year shows that the dynamics of contracting is significantly influenced by both the political cycle and the administrative factors that characterize the management of capital projects in this municipality. The comparative data between 2024 and 2025, combined with the monthly performance of contracts and the distribution according to election periods, constitute a model in which contracting peaks on the eve of the elections and is redistributed to other months of the year.

The annual increase of around 6.5% in the total value of contracts is not dramatic in itself, but within this figure lies a strong intensification of pre-election procurement. The value of contracts in the 90 days before the elections is more than twice as high compared to the same window in 2021, signaling that the election year is accompanied by a significant increase in investment activity on the eve of the vote. The concentration of over 11 million euros of contracts in the pre-/during/post-election period, with the pre-election window dominating, is in line with the literature on “electoral spending cycles”.

The inclusion of the “Top 10 economic operators” chart for 2025 deepens the integrity dimension. A limited number of operators – notably NNT Bini and the consortia in which it participates – accumulate a very large share of the value of contracts, creating structural dependence on a few entities and increasing sensitivity to any deviation from fair competition standards. This level of concentration is in line with repeated observations of audits and reports by the European Commission on Kosovo, which highlight the risk that arises when high-value contracts are focused on a few companies.

Overall, the report shows that, although technical factors such as procedural delays, cumulative effects of multi-year projects and fiscal deadlines play a role, the distribution of contracts in Podujeva during 2025 is sensitive to the electoral cycle. The increase in pre-election contracts, the use of public contracts for high-visibility projects and the concentration of values in a few economic operators increase the risk of deviations from integrity standards and make it necessary to strengthen control mechanisms, transparency and long-term planning.

Recommendations

Strengthening capital investment planning in Podujevo

- The municipality should draft multi-year investment plans based on measurable objectives and clear priorities, avoiding the concentration of a large number of high-value projects in the quarter before the elections.
- • Before launching capital projects, all technical, property and administrative conditions must be met, in order to avoid procedural delays and the artificial “clustering” of contracts in a single period.
- • Periodic reports on the progress of capital investments should be published in a transparent manner and compare actual implementation with annual and multi-year plans.
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More careful procurement management in election years

- The Municipality of Podujevo should adopt internal guidelines discouraging the concentration of large contracts in the 90 days before elections, unless this is clearly consistent with approved multi-year plans.
- For major projects initiated or signed in the pre-election period, a formal documented justification related to the planning and objective needs of the municipality is required.

- The use of technical specifications designed to limit competition should be avoided, respecting EU standards and the Public Procurement Law, especially in tenders involving the main local market operators..

Improving internal capacities and controls

- Procurement staff should be regularly trained in planning, risk management and the use of electronic modules for contract monitoring, with a particular focus on multi-year capital contracts.
- Full use of e-procurement modules for managing large infrastructure contracts should be ensured, including systematic reporting of physical and financial progress.
- The Internal Audit Unit should have a specific mandate to monitor capital contracts related to the main operators (such as NNT Bini and related consortia) during election periods and report directly to the Municipal Assembly.

Increasing transparency and citizen participation

- All procurement data and lists of capital projects should be published in open data format, with the possibility of filtering by time period, contract type and economic operator.
- For large projects with urban and rural impact, regular consultations should be held with citizens, local councils and interest groups, presenting the expected costs, deadlines and benefits.
- Cooperation with civil society organizations should be strengthened for monitoring procurement and publishing periodic reports on contract progress, with a particular focus on periods of high investment intensity.
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Recommendations at central level

- Line ministries and central institutions responsible for procurement policy should implement repeated audit and European Commission recommendations to strengthen procurement and capital investment management capacities in municipalities.
- Performance grant schemes for municipalities could include indicators that measure not only the level of budget execution, but also the balanced distribution of expenditures during the year and the level of competition of economic operators.
- Specific national guidelines for the management of capital contracts during election periods should be developed, in order to reduce the risk of polarization of expenditures and concentration of contracts in a few economic operators, as evidenced by data for the Municipality of Podujevo in 2025.

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