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**Capstone project:**

**Human Resource Planning in Kosovo Aeronautical Institutions with  
the special focus on Civil Aviation Authority CAA**

**Diana Pacolli**

**February 14, 2013**

***Submitted as a Capstone Project Proposal in partial fulfillment of a Master of  
Science Degree in Professional Studies at the RIT Center for Multidisciplinary Studies***

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## List of abbreviations

ECAA	European Common Aviation Area
EU	European Union
ICAO	International Civil Aviation Organization
UNMIK	United Nations Mission in Kosovo
KFOR	Kosovo Forces (NATO troops)
CAA	Civil Aviation Authority
CARO	Civil Aviation Regulatory Office
MSA	Management Service Agreement
SARPS	Standards and Recommended Practices
MTTP	Ministry of Transport and Post-Telecommunication
MIA	Ministry of Internal Affairs
AAIIC	Aeronautical Accidents and Incidents Investigation Commission
LPFMA	Law on Public Financial Management and Accountability
ATPL	Airline Transport Pilot's License
CPL	Commercial Pilot's License
MI	Ministry of Infrastructure
MF	Ministry of Finance
DG	Director General
USD	United States Dollar

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## Executive summary

Globally, Civil Aviation is a highly complex and safety sensitive process. This capstone project addresses the significant challenges related to human resource planning of Aeronautical Authorities in the Republic of Kosovo. The major challenges for Kosovo are in three main areas. These are (i) sustainable Civil Aviation Authority (CAA) funding, (ii) attracting and remuneration of professional staff, and (iii) retaining skilled, committed, and experienced aviation professionals. With its current stable funding, from dedicated revenues, the CAA is well positioned to address these three major challenges. While the number of employees has been increasing there has been no increase in the annual budget (figure 1). In 2009 the number of CAA employees was 14 and the budget was higher than in 2013 when the number of the professional staff had increased to 27.

**Figure 1: CAA budget 2009-2013 (millions €)**



*\*CAA revenues are comprised of fees on passenger safety and fees on certification and licensing*

Also with increased of employees there has been need for professional trainings but, the actual training budget has been significantly decreased. The capstone project surveys showed that Kosovo suffers from lack of aviation professionals. Losing a competitive staff who actually is working with the CAA is a real concern, because this human capital was built with its tough human and financed commitment. The project identifies the need for long term strategic HR planning. CAA competes with industry which already has strategy to attract and retain employees in very competitive labor market of aviation business. ( see figure 2 below)



**Figure 2 Is your salary competitive with regulated aviation industry?**

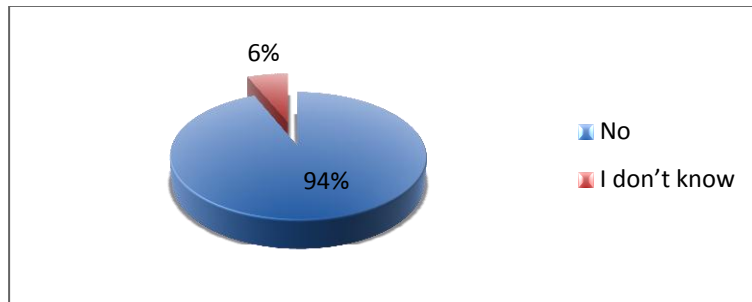


Figure 2 shows that the aviation industry (Prishtina Airport) offers more competitive salaries than CAA. This means that CAA inspectors are paid less than the regulated industry that they inspect. The other Kosovo Aeronautical Authorities such as MIA and MI are in a more unfavorable position than CAA related to this matter. Kosovo institutions should take this challenge very seriously in order to strengthen the human capacities in public aviation institutions. This capstone project strongly recommends that CAA employees continue to be given independent institutions salary scales. Survey shows that 89 % of CAA technical/professional staff, answered that they will leave their working place at CAA if reduction of salaries takes place. The four main recommendations of this capstone project are:

1. The CAA dedicated revenues should be spent for capacity building and filling key related aviation positions in order to be capable of accomplishing the wide range of required duties in front of being a future growing industry and re-opening Kosovo upper air space.
2. The Civil aviation department within Ministry of Infrastructure should train its personnel in the areas of developing national policies on air transport and carrying out international cooperation in the field of civil aviation sector.
3. The Security Aviation Department within the Ministry of Internal Affairs should be staffed with sufficient numbers of employees who will be able to carry out the security aspects of civil aviation. Their remuneration should be satisfactory enough to attract for qualified aviation security personnel. The employees should be trained in order to maintain and enhance accreditation to be a security inspector.
4. The CAA should remain a competitive employer by developing long term HR strategies in order to retain its professional staff for which it has invested continuously on professional development building.

## Chapter 1

# INTERNATIONAL OBLIGATIONS ON CREATING CIVIL AVIATION SAFETY OVERSIGHT SYSTEMS

### 1.1 Complexity of the civil aviation

Modern aviation is one of the most complex systems of interaction between human beings and machines ever created. “Twenty four hours a day, 365 days of the year, an airplane takes off or lands every few seconds somewhere on the face of the earth”. Every one of these flights is handled in the same, uniform manner, whether by air traffic control, airport authorities or pilots at the controls of their aircraft. Behind the scenes are millions of employees involved in manufacturing, maintenance and monitoring of the products and services required in the never-ending cycle of flights.<sup>1</sup>

Internationally, the standards for operation and management of civil aviation and airport use are provided by the International Civil Aviation Organization (ICAO).<sup>2</sup> The Republic of Kosovo is not yet an ICAO member State, however according to the Civil Aviation Law, civil aviation activities must be in compliance with the Chicago Convention<sup>3</sup> and ICAO Annexes.<sup>4</sup>

“ICAO recognizes that professional competence is a critical element in achieving optimum levels of safety and is developing training strategies to ensure that the future world air transport system is supported by enough competent and qualified professionals,”<sup>5</sup> The challenge for the aviation community will be to attract and retain competent employees, to shape the next generation of aviation professionals through training and programmes that will ensure that aviation personnel of tomorrow be developed for a long term and prospective aviation career.

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<sup>1</sup><http://legacy.icao.int/icao/en/>

<sup>2</sup>Airport planning & Management, 5<sup>th</sup> edition chpt I; Airport management on international level pg 10; Authors: Alexander T. Wells Ed.D& Seth B Young, Ph.D 5<sup>th</sup> edition

<sup>3</sup>The constitution of ICAO is the Convention on International Civil Aviation, drawn up by a conference in Chicago in November and December 1944, and to which each ICAO Contracting State is a party. This Convention is also known as the [Chicago Convention](#). In October 1947, ICAO became a specialized agency of the newly-established United Nations. [www.skybrary.aero](http://www.skybrary.aero)

<sup>4</sup>For each area of ICAO responsibility are contained in 18 Annexes. All annexes are subject to regular amendment and the detail in respect of many of them is contained in publications in the numbered ICAO Document Series. [www.skybrary.aero](http://www.skybrary.aero)

<sup>5</sup>Careers In Air Transport Promising As demand For Skilled Aviation Professionals Grows Roberto Kobeh Gonzalez, President of the ICAO Council.

In civil aviation systems, collaboration among states is a necessity. “...states must collaborate in securing the highest practical degree of uniformity in regulations standards procedures and organization in relation to aircraft, personnel, airways and auxiliary services in all matters in which such uniformity will facilitate and improve air navigation..”<sup>6</sup> To this respect ICAO adapted Standards and Recommended Practices (SARPS’s) in a form of Annexes dealing with activities concerning operation of an aircraft. ICAO standards and other provisions are developed in the following forms:

- Standards and Recommended Practices - collectively referred to as SARPs;
- Procedures for Air Navigation Services - called PANS;
- Regional Supplementary Procedures - referred to as SUPPs; and
- Guidance Material in several formats.

SARPs cover all technical and operational aspects of international civil aviation, such as safety, personnel licensing, operation of aircraft, aerodromes, air traffic services, accident investigation and the environment. Without SARPs aviation system would be at best chaotic and at worst unsafe. Every one of these flights is handled in the same, uniform manner, whether by air traffic control, airport authorities or pilots at the controls of their aircraft.<sup>7</sup>

## 1.2 Aviation safety oversight obligations

Safety oversight is the state’s responsibility. According to the civil aviation law the Civil Aviation Authority is responsible for regulating the safety of air transportation in the Republic of Kosovo.<sup>8</sup> Within the context of aviation, **Safety** is: “The state in which the possibility of harm to persons or of property damage is reduced to and maintained at or below, an acceptable level through a continuing process of hazard identification and safety risk management”<sup>9</sup>

The safety performance is influenced by national and international norms. Human activities or human built system cannot be guaranteed to be absolutely free from operational errors and their consequence.

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<sup>6</sup>The Article 37 of the Chicago Convention

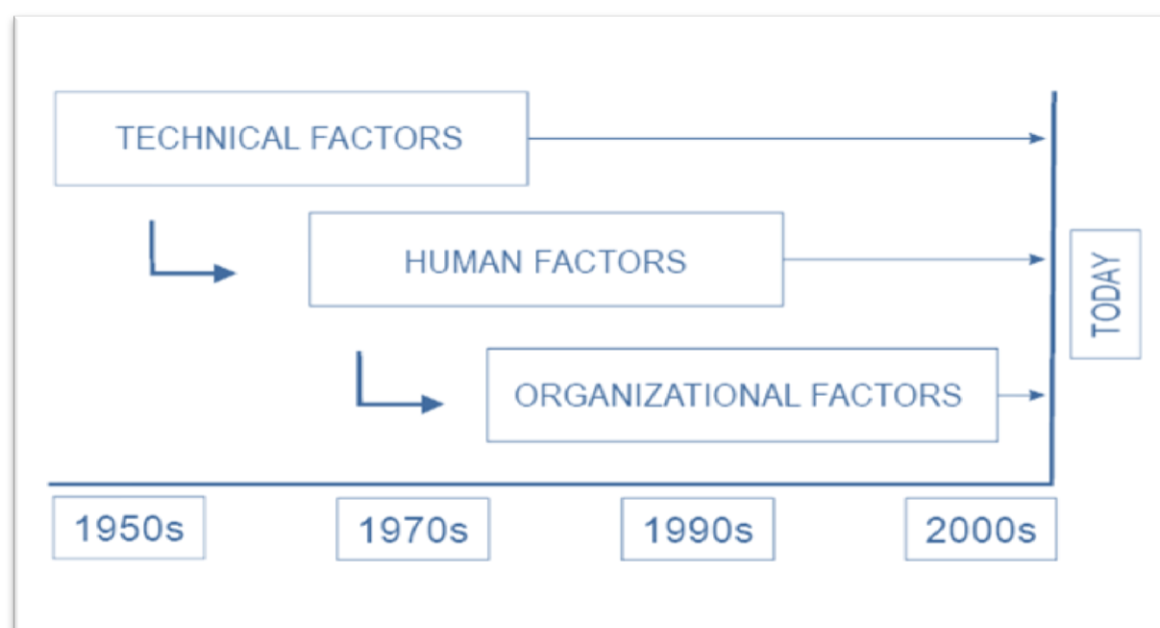
<sup>7</sup><http://legacy.icao.int/icao/en/anb/mais/>

<sup>8</sup>Civil Aviation Law; No. 03/L-051Article 15 - Powers and Responsibilities of the CAA

<sup>9</sup>Safety Management Manual Doc 9859 AN 474

As is shown in the Figure 1.1 the history of the progress in aviation safety can be divided in three eras. The **Technical era** started from the early 1900s until the late 1960s. In this period of time most of the improvement was made related to technical factors and technological failures. After this period come the **Human Factor era** which started from 1970 until 1990 which was with the focus on human factors issues including the man/machine interface. The application of Human Factors science tended to focus on the individual, without fully considering the operational and organizational context.<sup>10</sup>

**Figure 1.1 The Evolution of Safety**



Source: [www.icao.int](http://www.icao.int)

**The organizational era started** from the mid-1990s to the present day. During the organizational era, safety began to be viewed from a systemic perspective, to encompass organizational factors in addition to human and technical factors.<sup>11</sup> Policy making, planning, communication, allocation of resources, supervision etc. are activities which any organization has reasonable degree of direct control. Unquestionably, the two fundamental organizational processes as far as safety is concerned are allocation of resources and communication. A deficiency in these two processes is a dual pathway towards failure.<sup>12</sup>

<sup>10</sup> Safety management Manual Doc 9859 AN 4741.2 The Evolution of Safety; page 11

<sup>11</sup> Ibid; page 12

<sup>12</sup> Ibid pg 14

### 1.3 Critical elements of a safety oversight system

Safety oversight is a function by which states ensure effective implementation of: SARPS, Critical elements of safety oversight system and relevant safety practices and procedures.<sup>13</sup> State authorities responsible for safety oversight should be provided with the necessary resources, both human and financial to be able to effectively carry out safety oversight obligations on behalf of the state.<sup>14</sup> Without such commitment on the part of the state, efforts put into resolving difficulties will remain simply with no significant positive effect. In order to have an effective safety oversight system ICAO has identified and defined the eight critical elements known as CE that considers essential to implement and maintain national system for safety oversight.

**CE-1 Primary aviation legislation** - This first of eight critical elements consists on the aviation law which is consistent with a complexity of the state's aviation activities and compliant with the requirements contained in the Convention on International Civil Aviation.<sup>15</sup> In this respect Kosovo has approved Law No.03/L-051 on Civil Aviation. The Law on Civil Aviation established the Civil Aviation Authority of the Republic of Kosovo (CAA) and serves as base on which are setting framework of legal aspects and it clearly defines responsibilities and functions in the area of civil aviation in Kosovo.

**Figure 1.2: ICAO Model – The eight critical elements of state's oversight system**



Source: [http://www.skybrary.aero/index.php/ESIMS\\_Results](http://www.skybrary.aero/index.php/ESIMS_Results)

<sup>13</sup>ICAO universal safety oversight Audit Programme

<sup>13</sup>Safety Oversight Manual doc. 9734 part A chapter 2 page 2-11

<sup>15</sup> Doc 9734 AN 959 chapter 3

**CE-2 Specific operating regulations** – It consists in the provision of adequate regulations to address at minimum, national requirements that derives from primary aviation legislation and providing for standardized operational procedures, equipment and infrastructure in conformance with SARPS. In this context CAA numerous Regulations, Decisions and Administrative Directions issued in accordance with the Law on Civil Aviation. This also includes Regulations for the transposition of relevant EU Regulations and Directives into the legal order of the Republic of Kosovo. This activity enabled CAA to meet all legislative requirements of the Agreement on the European Common Aviation Area (ECAA).<sup>16</sup>

**CE-3 State civil aviation system and safety oversight structure** – requires establishment of a Civil Aviation Authority and/or other institution relevant institution or government agencies supported by the appropriate and adequate technical and non-technical staff and provided with adequate financial resources. Related to this element, Kosovo has four public authorities with responsibilities and functions in the field of civil aviation. CAA is only one of the public authorities with responsibilities and functions in the area of civil aviation in our country. The Law defines that Ministry of Infrastructure (MI) is responsible for the economic regulation of air traffic, whereas Ministry of Internal Affairs (MIA) is responsible to regulate aviation security aspects. The Law has also established the Aeronautical Accidents and Incidents Investigation Commission (AAIIC), as an institution that functions within the office of the Prime Minister of the Republic of Kosovo. Based on surveys which were developed with staff and management of those authorities' results that departments related to aviation matters within ministries are not supported by sufficient staff and it is because they are not supported by adequate financial resources.

**CE-4 Technical personnel qualification and training** - The establishment of minimum knowledge and experience requirements for the technical personnel performing safety oversight functions and the provision of appropriate training to maintain and enhance their competence at the desired level the training should include initial and recurrent (periodic training). The CAA has technical personnel well qualified and they continuously received trainings to maintain credentials in order to operate effectively and orderly as it required by international standards.

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<sup>16</sup>CAA Annual report 2011 page 6

**CE-5 Technical guidance, tools and the provision of safety critical information** - The effectiveness of safety oversight system and the implementation of national and international standards need to be supported by guidance material which will provide the technical experts with guidance on how to accomplish their specific functions. In this respect CAA publishes technical guidance materials to provide information about implementation national and international standards.<sup>17</sup>

**CE-6 Licensing, certification, authorization and approval obligation** -The convention requires that contracting states issue licenses and certificates as applicable, to aircraft, organizations and personnel engaged in international air navigation.<sup>18</sup> According to the Law on Civil Aviation, CAA and Ministry of Infrastructure (former Ministry of Transport and Post-telecommunication) has the authority of issuing the licensing certification and approval obligation.

**CE-7 Surveillance obligations** - This element is related to the process of implementation such as inspections and audits to ensure that aviation license, certificate authorization and /or approval holders continue to meet the established requirements and functions at the level of competency and safety required by the state to undertake an aviation related activity for with they have been licensed, certified, authorized and/or approved to perform. This includes the surveillance of designated personnel who perform safety oversight functions on behalf of the CAA.<sup>19</sup> The main function of the CAA is the oversight and regulation of civil aviation activities in the Republic of Kosovo in order to guarantee safe operations in compliance with applicable standards. This is achieved through inspections, audits, licensing and certification. CAA has professional and competent staff responsible for regulating civil aviation in the country. Law on Civil Aviation of the Republic of Kosovo was considered as the model law for all Western Balkan countries by the European Commission.<sup>20</sup>

**CE-8 Resolution of safety concerns** - consists on the implementation of processes and procedures to resolve identified deficiencies impacting aviation safety, which may have been residing in the aviation system and have been detected by the regulatory authority or the appropriate body.<sup>21</sup> Law No. 03/L-051 on Civil Aviation empowers the Director General of CAA to perform such acts, to conduct such investigations and inspections, to issue and amend such

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<sup>17</sup> Technical Publication of CAA

<sup>18</sup> Safety Oversight Manual 9734 doc

<sup>19</sup> Ibid Chpt 3

<sup>20</sup> CAA annual Report 2011 page 29

<sup>21</sup> Safety Manual Oversight; CE8 Chpt 3

orders, and to make and amend such general or special rules, regulations, and procedures pursuant to and in accordance with the provisions of the present law, as the Director General may reasonably deem necessary to carry out the provisions of, and the exercise and performance of the powers and duties assigned under the law. Where the holder of a license does not comply with the requirements of the Law on Civil Aviation and the relevant implementing regulations, the CAA may suspend or revoke the license. Moreover in the event of an emergency affecting the public safety and in exceptional circumstances, as defined by the relevant aspects of the EU's *acquis communautaire*, the CAA may immediately suspend or revoke such a license or license privileges.

Safety Assessment of Foreign Aircraft (SAFA) introduces a harmonised approach to the effective enforcement of international safety standards within the Republic of Kosovo for ramp inspections of aircraft, landing at airports located in the Republic of Kosovo. The CAA also carries out ramp inspections, on a spot check basis in the absence of any particular suspicion. These inspections are done in accordance with National and International Standards. The monitoring of air safety is an integral part of the functions exercised by the Civil Aviation Authority of Kosovo. By monitoring safety levels in the aviation industry, the CAA can measure whether safety risks are being appropriately assessed and identify areas in which safety can be improved. Occurrence reporting contributes significantly to the reactive and proactive identification of safety risks and leads to the improvement of safety measures. The reporting system involves the notification of incidents by persons and organisations to the CAA involving any aircraft, maintenance operations, aerodromes or airspace. This information represents a highly valuable contribution to the identification of possible safety risks. The objective of occurrence reporting is to contribute to the improvement of air safety by ensuring that relevant information on safety is reported, collected, stored, protected and disseminated.



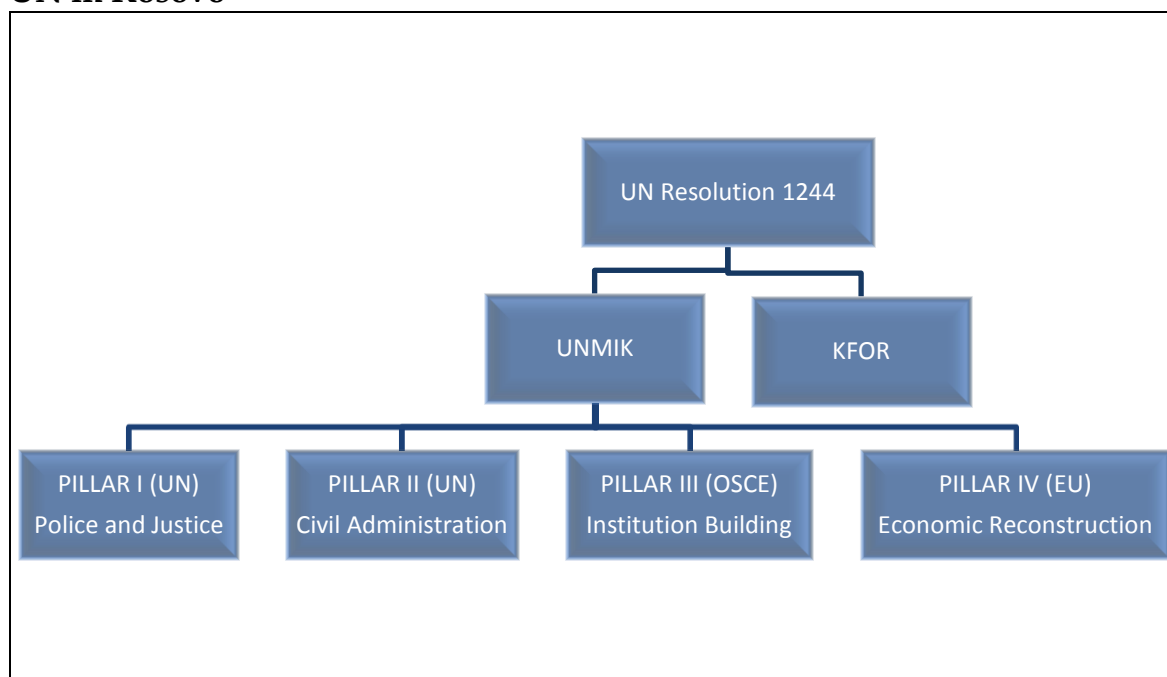
## Chapter 2

### MILESTONES IN KOSOVA'S CIVIL AVIATION

#### 2.1 Background

After NATO stopped its bombings and Serbian forces withdrew, 50,000 NATO troops led by multinational Kosovo Force (KFOR) arrived to provide security in Kosovo. The United Nations Security Council, acting under Chapter VII of the Charter of the United Nations, by virtue of Resolution 1244 of 10 June 1999, authorized the Secretary-General, with the assistance of relevant international civil organizations, to establish an international civil presence in Kosovo, known as the United Nations Interim Administration Mission in Kosovo (UNMIK)<sup>22</sup> The UNMIK was established in June 1999, marking the end of war and NATO intervention in Kosovo that had followed the massive human rights violations by Serbian authorities<sup>23</sup>.

**Figure 2.1: Organizational structure of military and civil presence of KFOR and UN in Kosovo**



#### 2.2 Establishment of Civil Aviation Regulatory Office

In 1999 the International Civil Aviation Organization (ICAO) authorized United Nations Interim Administration Mission in Kosovo UNMIK to carry out aviation functions in Kosovo. The UNMIK,

<sup>22</sup>UNMIK/reg./1999/1 25 July 1999 Regulation no. 1999/1 on the authority of the interim administration in Kosovo

<sup>23</sup><http://www.un.org/en/peacekeeping/missions/unmik/background.shtml>

in the absence of required technical resources delegated these responsibilities to KFOR in respect of flight to and from Pristina Airport.

In 2002, UNMIK and KFOR agreed that responsibility for civil aviation in Kosovo to be transferred to UNMIK by 1 April 2004. During this preparation period, UNMIK with assistance of ICAO established Civil Aviation Regulatory Office (CARO) through regulation No. 2003/18.<sup>24</sup>

On 27 January 2003, UNMIK and ICAO signed a Management Services Agreement (MSA) as a cooperation framework to facilitate the establishment of a Civil Aviation Regulatory Office (CARO), and development of safe civil aviation activities in Kosovo in compliance with ICAO Standards and Recommended Practices (SARPs).<sup>25</sup> In order to exercise the functions that are reserved only for ICAO member states UNMIK has concluded an agreement with an ICAO member state, Iceland, to cope with licensing of Kosovo air traffic controllers and to bring Prishtina International Airport to a standard of ICAO certification.<sup>26</sup> The final agreement entered into the force on 1<sup>st</sup> of April 2004.

In June 2006 the European Community Member States together with Albania, Bosnia and Herzegovina, Bulgaria, Croatia, the Former Yugoslav Republic of Macedonia, Montenegro, Romania, Serbia, the United Nations Mission in Kosovo (UNMIK) as well as Iceland and Norway signed an agreement to create a European Common Aviation Area (ECAA). The aim of this Agreement is the creation of a European Common Aviation Area, hereinafter referred to as the ECAA. The ECAA shall be based on free market access, freedom of establishment, equal conditions of competition, and common rules including in the areas of safety, security, air traffic management, social and environment. For this purpose this Agreement sets out the rules applicable between the Contracting Parties under the conditions set out hereafter<sup>27</sup>. Under the ECAA agreement the Western Balkan partners will gradually implement the aviation legislation of the European Community, and will become fully integrated into the European Community internal aviation market. Kosovo as a party into the ECAA is obliged that any element of the EU's *acquis communautaire* that is referred to or contained in Annex I or II of

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<sup>24</sup>UNMIK Regulation No 2003/18.

<sup>25</sup>MSA Agreement- Consensus Action Memorandum

<sup>26</sup>Chicago convention precise that only member state states are able to exercise all functions in the respect of civil aviation.

<sup>27</sup> Multilateral Agreement Between The European Community and its Member States, The Republic of Albania, Bosnia And Herzegovina, The Republic of Bulgaria, the Republic of Croatia, the Former Yugoslav Republic of Macedonia, the Republic of Iceland, the Republic of Montenegro, the Kingdom of Norway, Romania, the Republic of Serbia And The United Nations Interim Administration Mission In Kosovo <sup>27</sup> on the establishment of a European Common Aviation Area; Article, I, Objectives and Principles

the agreement to apply directly in its legislation<sup>28</sup>. On 17 February 2008 Kosovo declared its Independence. Based in this declaration the Kosovo committed to undertake the international obligations, including those entered on behalf of UNMIK<sup>29</sup>. On 15 June 2008 the Kosovo assembly adapted Civil Aviation Law No.03/L-051 which shaped the functions and responsibilities of authorities in the field of civil aviation. Civil Aviation Authority is not the only institution with responsibilities and function in the area of civil aviation. The law established and other three entities that exercise functions in civil aviation.

### **2.3 Nature and structure organization of civil aviation as regulatory office**

The Central regulatory Unit (“CRU”) operated under pillar (four) IV of UNMIK (see figure 2.1) Administration, performed the administrative functions of the Energy Regulatory Office (“ERO”), the Water and Waste Regulatory Office (“WWRO”), the Civil Aviation Regulatory Office (“CARO”) the Frequency Management Office (FMO) and Railway Regulatory Office (“RRO”). In the beginning of 2005 due to restructuring of Pillar IV all regulatory offices mentioned above, were transformed into independent budget organizations which performed independently their administrative functions.

According to the regulation 2003/18 on establishing of Civil Aviation Regulatory Office for Kosovo, CARO was responsible to perform functions such as:

- Supervise and regulate air transport systems;
- Produce and disseminate information and technical documentation on air transport systems;
- Oversee the implementation of the overall strategy and policies for the development of civil aviation in Kosovo;
- Coordinate with PISG and KFOR on matters pertaining to civil aviation;
- Coordinate with international civil aviation organizations including IATA and ICAO in order to promote the development and effective implementation of civil aviation policies and standards for Kosova and,
- To make policy recommendations to the SRSG through the deputy SRSG for Economic Reconstructions.<sup>30</sup>

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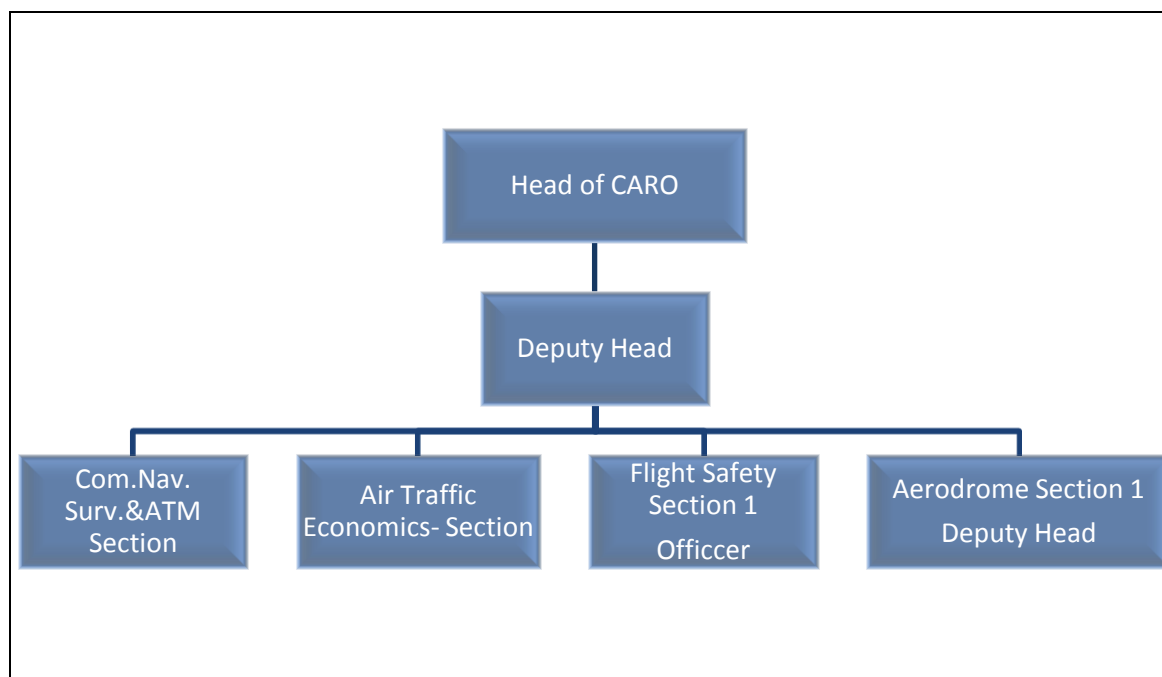
<sup>28</sup> Law on Civil Aviation Article 3.3

<sup>29</sup> Kosova Declaration of Independence; 17.02. 2008 Point 9

<sup>30</sup> CARO Progress report 2004, page 3

In that time there were only two international (head and deputy head) and three local staff who was responsible to carry out all these duties.

**Figure 2.2 Organizational Chart, in the beginning of creating civil aviation structure**



The head of CARO was appointed by the Special Representative of the Secretary General (SRSG) on 3 July 2003. Head and deputy head of CARO was international staff. Deputy Head of CARO was responsible to lead Aerodrome section. Aerodrome section facilitated ICAO Annexes 9, 10,14,17,18<sup>31</sup>. The Flight Standards Section leaded by an officer (local staff) and was responsible to cover the ICAO Annexes 1, 5, 6, 7 8<sup>32</sup>. Air Traffic Economics (ATE) Sections performed its functions of traffic rights, slot allocations and Economics. In this section has worked only an officer from the local staff, and, CNS/ATM section was responsible for Communication, Navigation, Surveillance, Nav-Aids, Calibration, Operations and Planning.<sup>33</sup>

<sup>31</sup>Annex 9 Facilitation; Annex 10- Aeronautical Telecommunications ; Annex 14- Aerodromes; Annex 17-Security - Safety guarding International Civil Aviation against Acts and Unlawful Interference; Annex 18- The safe transport of Dangerous Goods by Air

<sup>32</sup> Annex 1- Personal Licensing; Annex 5- Units of measurement to be used in air and ground operation; Annex 6- Part I International Commercial Air Transport- Airplanes PART II International Central Air Transport – Airplanes Part III International Operation- Helicopters

<sup>33</sup> ICAO Annexes 2-Rules of the Air 3- Meteorological Service for International Air Navigation,4-, Aeronautical Charts 10- Aeronautical Telecommunications,11- Air Traffic Services 15- Aeronautical Information Services

## 2.3 CARO capacity building

Building regulatory capacities is one of the toughest tasks of infrastructure reform.<sup>34</sup> CARO personnel are being trained under the UNMIK-ICAO agreement (MSA). Institutional Building known as Annex 2 under MSA agreement was ended in 2008. As a part of this agreement between ICAO and CARO, local CARO personnel have awarded individual fellowships and they undergone classroom trainings in prominent academic institutions throughout the world. Award and management of individual fellowships to local professionals enabled building regulatory capabilities in the following areas: air transport and economics, CNS/ATM,<sup>35</sup> safety inspections, aviation security and facilitation, and aerodrome oversight and inspection. The CARO staff has also continuously received coaching and on-the-job training from internationally recognized experts, contracted through ICAO.<sup>36</sup>

**Figure 2.3 The cost estimated of Management Service Agreements, on Capacity Building**

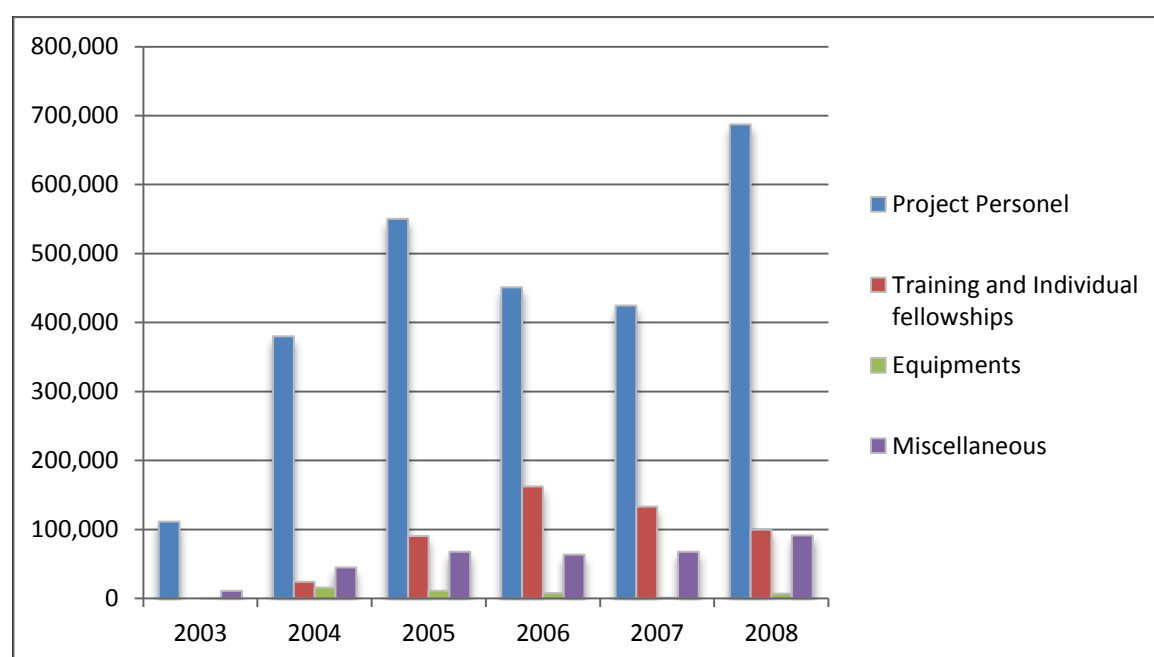


Figure 2.3 shows that Kosovo has spent more than 3 Million US dollar from 2003 till 2008 on creation of Civil Aviation Regulatory Office. The CARO budget was financed mostly by Kosovo Consolidated Budget funds.<sup>37</sup> The main goal of agreement was to build local expertise staff, which will be able to take over all responsibilities on civil aviation matter.

<sup>34</sup> Reforming infrastructure; A World Bank policy research report

<sup>35</sup> Communications, Navigation, Surveillance, and Air Traffic Management

<sup>36</sup> Consensus Action Memorandum 27 April 2007

<sup>37</sup> Civil Aviation Regulatory Office – Annual Report 2006

**Table 2.1 Cost estimated in USD of MSA project**

Years	Project Personnel (salaries)	Training& Individual fellowships	Equipment	Miscellaneous	
2003	111,472		576	11,254	
2004	380,198	24,179	15,956	45,067	
2005	550,436	90,758	11,042	67,698	
2006	451,456	162,677	7,795	63,611	
2007	424,800	133,300	1,000	68,000	
2008	687,600	100,000	7,000	91,600	
Total:	2,605,962	510,914	43,369	347,230	
<b>Project Total: 3,507,475</b>					

## Chapter 3

### KOSOVO'S AERONAUTICAL AUTHORITIES

According to Law 03/L-051 on Civil Aviation public authorities with responsibilities and functions in the field of civil aviation in Kosovo are:

- a) Ministry of Infrastructure ( ex. Ministry of Transport and Telecommunication)
- b) Civil Aviation Authority
- c) Ministry of Internal Affairs and
- d) Aeronautical Accidents and Incidents Investigation Commission

#### 3.1 Ministry of Infrastructure

##### 3.1.1 Responsibilities, Organization and Structure

Ministry of Transport and Post Telecommunication (MTPT) doesn't exist in the composition of government body. In 2011 by the government decision the MTPT has changed its name to the Ministry of Infrastructure (MI). Among others, Ministry of Infrastructure is responsible for (i) developing national policies on air transport, (ii) issuing implementing regulations governing the economics of air transport, other than aviation safety or the economics of airports or air navigation services, and (iii) organizing, carrying out and undertaking measures for the development of civil aviation in Kosovo and International Corporation in the field of civil aviation.<sup>38</sup> Department of Civil Aviation is one of 10 departments of the Ministry of Infrastructure.

Civil Aviation Department is divided into two divisions:

1. Division of licensing and economic regulation and;
2. Division of policy development and international cooperation

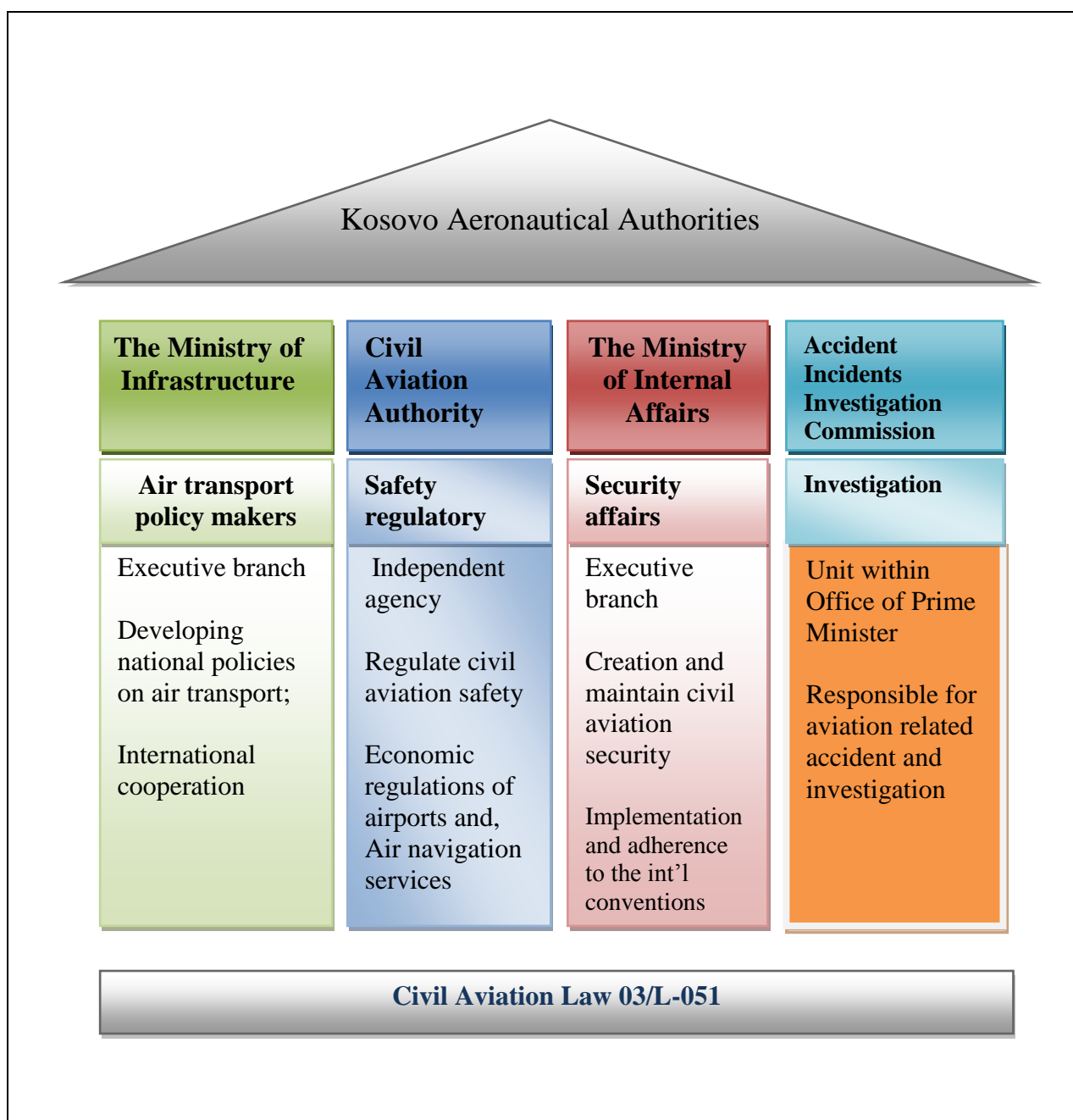
Each division is divided into sectors.

1. Sectors of licensing and economic regulation division are:
  - 1.1. Sector of Licensing of Kosovo Operators;
  - 1.2. Sector of Licensing of Foreign Operators;
  - 1.3. Sector of passenger protection, competition and tariff;

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<sup>38</sup>Civil Aviation Law 03/L-051 article 6 paragraph 6.1

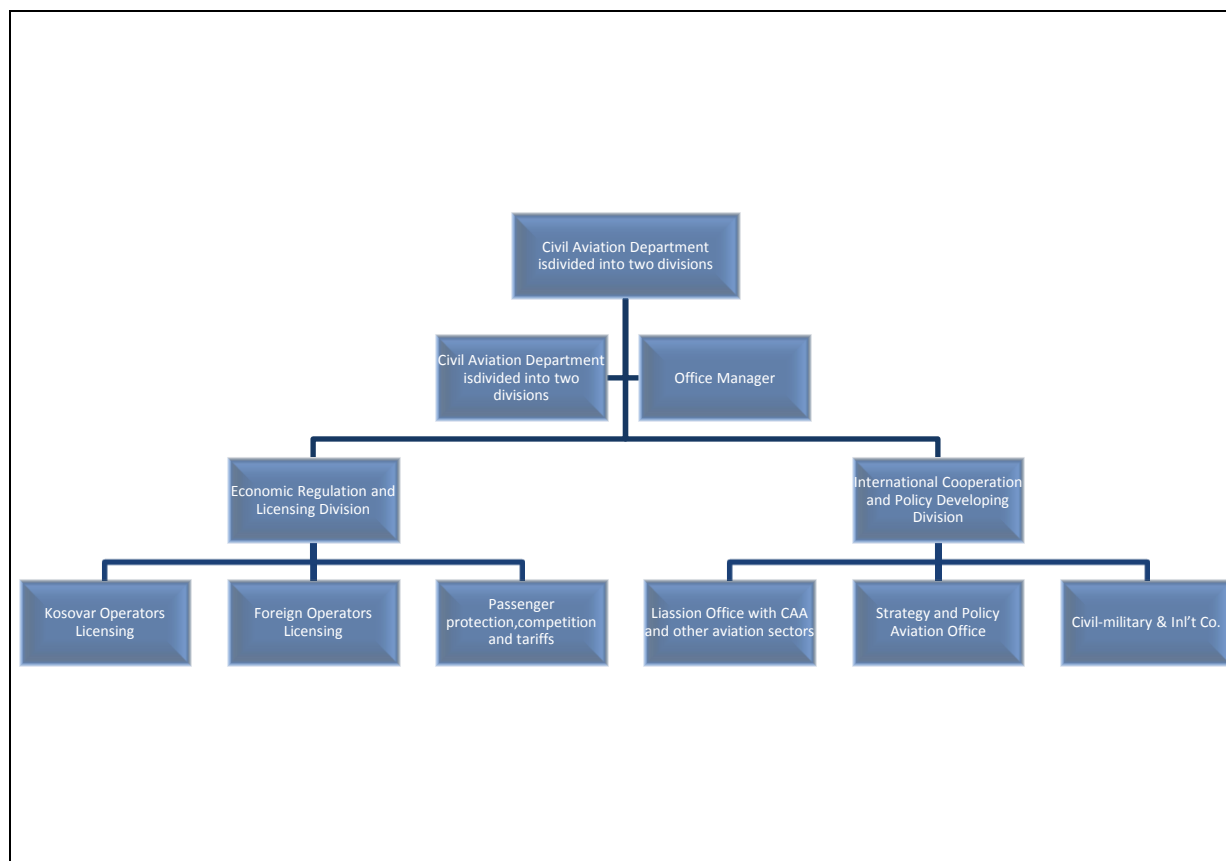
**Figure 3.1 Kosovo aeronautical Institutions**



2. The Sectors of the Division of policy development and international cooperation are:
  - 2.1. Liaison Office with CAA and other aviation sectors in government;
  - 2.2. Aviation policy developing office
  - 2.3. Civil- military and international cooperation Office



**Figure: 3.2 Organizational Chart of Civil Aviation Department in MI**



### 3.1.2 Staffing

The Current capacity of the Civil Aviation Department within MI is not sufficient to carry out its responsibilities defined by the law. The Department of Civil Aviation, which operates within Ministry of Infrastructure is small and understaffed there are only 5 employees to handle its tasks related to: air transport policy making, representation of the country internationally and ensuring economic market regulation in aviation sector. Due to the strong international obligations under ECAA Agreement and in order to fully integrate Kosovo into international civil aviation the Ministry calls for urgent steps to be taken to increase the capacity in this sector.<sup>39</sup>

According to the present law “The Ministry shall recruit professional and experienced staff, as needed, to ensure effective and efficient implementation of the functions and responsibilities vested in the Ministry. In early 2008 FRIDOM<sup>40</sup> carried out the horizontal review of human resource management practices in Kosovo’s public administration. The report highlighted that

<sup>39</sup>Strategic development plan 2010-2014-Ministry of Transport and Telecommunications Republic of Kosovo

<sup>40</sup>Functional Review and Institutional Design of Ministries FRIDOM 2008 Report

the main capacity concern for the MI is its human resources. “The concerns include salary levels and staff motivation, compressed coefficients, limited duration of employment contracts, number of core staff versus support staff, lack of policy staff etc”. The Ministry is a relatively “technical” ministry that requires highly qualified personnel especially at policy planning departments. “Nevertheless, in reality the analysis of the overall educational profile of the MTPT indicates that for every 2 employees with higher education (university or post-high school education) is 1 employee with secondary (high school) education. This means that 35% of the staff has only secondary education. This is very different from the common practice in EU countries”.

### **3.1.3 Remuneration**

MIA personnel are part of civil service salary scale. Being in charge of road construction, aviation, rail and electronic communications sectors, MIA competes for staff with the private sector where salaries are up to five times higher than those paid by the public sector in Kosovo. Overall shortage of specialists in Kosovo together with lack of proper education and training possibilities in technical disciplines even more emphasizes the problem of ensuring professionally qualified staff.<sup>41</sup>

## **3.2 The Ministry of Internal Affairs**

### **3.2.1 Responsibilities, Organization and Structure**

The Ministry of Internal Affairs (MIA), according to the Law on Civil Aviation, is responsible for the creation and maintenance of civil aviation security in the Republic of Kosovo.<sup>42</sup> Article 28 of the Law on Civil Aviation provides that “The Ministry of Internal Affairs shall be responsible for implementation of, and adherence to, the international conventions and those aspects of the EU’s *acquis communautaire* as may apply to civil aviation security”.<sup>43</sup>

There are several international requirements in the field of aviation security which derive from International Conventions, namely the Tokyo Convention of 1963, the Hague 1970, and Montreal 1971) that seek to, *inter alia* establish jurisdiction for a number of specific offences committed on board the aircraft, airports serving international civil aviation and other civil

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<sup>41</sup>Ministry of Transport and Telecommunications Republic of Kosovo Strategic Development Plan 2010-2014

<sup>42</sup> Law on Civil Aviation No. 03/L-051

<sup>43</sup> Ibid 24

aviation installation referred to generally as “acts of unlawful interference against civil aviation”<sup>44</sup>. The state aviation security laws, regulations and programmes should be in conformity with the Chicago Convention, Annex 17. As there are eight safety critical elements described in the first chapter of this project so are eight critical security elements that ICAO identifies and defines that states are expected to implement in order to be capable for security oversight.<sup>45</sup> Annex 17 also requires that states shall establish an implement a written national civil aviation security programme.<sup>46</sup> Related to this requirement<sup>47</sup> Kosovo government has established a committee that is composed by high level officials which should ensure the implementation of all obligations which derives from ECAA agreement , international conventions and other obligations and duties which are required and defined by ECAC documents.<sup>48</sup> The chairman of this committee is the Minister of Internal Affairs who established the secretariat of the committee. The secretariat is composed by 12 senior officers from different institutions that are responsible for state security. The secretariat is required to be lead by someone who has a strong professional background on civil aviation activities, and therefore the Director of Flight Safety Department at CAA was nominated a head of secretariat of this committee.<sup>49</sup>

### 3.2.2 Staffing

Personnel Qualifications and Trainings is an important and essential element that states should possess in order to implement all applicable aviation security requirements. Critical element four (4) requires the “establishment of minimum knowledge and experience for technical personnel performing State aviation security oversight and regulatory functions”. Personnel should be trained with appropriate training for such personnel to maintain and enhance their competence (including initial and recurrent training).<sup>50</sup> Actually Civil Aviation Security Division within Ministry of Internal Affairs is composed by only three (3) officers. The same as in MI, there is lack of Human resources in charge of implementation of the functions that are vested by the law and other aspects of international obligations especially EU’s *acquis*

<sup>44</sup> Oversight manual 9734 CE 1 Aviation Security Legislation

<sup>45</sup> MoU AAC-MPB 03/07/2009

<sup>46</sup> Annex 17 to the Convention on International Civil Aviation

<sup>47</sup> Critical Element 2

<sup>48</sup> Government decision on establishing the National Commission on Civil Aviation Security decision no 08/19 date 15 May 2011

<sup>49</sup> MIA decision 399 on establishing the secretariat National Commission on Civil Aviation Security; date 14 September 2012.

<sup>50</sup> <http://www.icao.int/Security/USAP/Pages/The-Critical-Elements.aspx>

*communautaire*<sup>51</sup>In order to implement these functions, MIA and CAA have signed a Memorandum of Understanding by which two parties have committed to ensure the highest degree of safety and security in the civil aviation . By this MoU “CAA agrees to assist MIA in implementation of the functions vested by the Law until MIA consolidates its civil aviation security section and recruits professional and experienced staff to ensure proper discharge of its duties and responsibilities in civil aviation security oversight and quality control”. MIA agrees to provisional discharge of some of its regulatory functions in civil aviation security by CAA as specified in the MOU. The European commission published document which highlighted aviation security, as managed by the Ministry of Internal Affairs, is a concern. In 2010 due to the lack of budget for training, inspectors lost their credentials.<sup>52</sup>

### **3.2.3 Remuneration**

According to the international standards and practices, Civil Aviation security personnel should have remuneration consistent with their education, aviation security knowledge and experience, comparable to the personnel of the operator whose activities they will inspect and supervise. In this respect like the MI, the MIA doesn't provide competitive salaries to its staff, this reason appears to be an obstacle for attracting highly qualified professionals to work for it.

## **3.3 Aeronautical Accident Incident Investigation Commission**

### **3.3.1 Responsibilities, Organization and Structure**

The AAIIIC is responsible for aviation-related accident and incident investigations within Kosovo or affecting Kosovo registered aircraft wherever they may be. Aircraft accident investigation is regulated by the ICAO Annex 13. It precise that: “The solo objective of the investigation of an accident or incident shall be prevention of accidents and incidents and it's not the role of accidents and incidents authority to apportion blame or liability”. According to the present Law the AAIIIC shall be completely independent of the aviation industry, the CAA, the Ministry, the Ministry of Internal Affairs and other public authorities and officials<sup>53</sup>.

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<sup>51</sup>Memorandum of Understanding between the Ministry of Internal Affairs of the Republic of Kosovo and the Civil Aviation Authority of the Republic of Kosovo; Done 2 July 2009

<sup>52</sup>COMMISSION STAFF WORKING DOCUMENT *accompanying the document* Commission Communication on a Feasibility Study for a Stabilisation and Association Agreement between the European Union and Kosovo\*Brussels, 23.10.2012 page 44

<sup>53</sup>Chapter IV Article 31.3 Aeronautical Accident and Incident Investigations Commission

### 3.3.2 Funding

The AAIC is not separate budget organization, therefore there is no particular budget line foreseen in the annual budget. According to the Law on Civil Aviation, the AAIC shall have a separate funding within the auspices of the OPM, the latter shall provide administrative support in terms of procurement, finances, budget and internal audit

### 3.3.3 Personnel and equipment

Aircraft accident investigation is specialized task which should only be undertaken by qualified investigators. It is essential that accident investigators have technical professional background, in this respect AAIC is comprised of:

- The Chairman (engineering inspector)
- Two members (operations inspector and flight data recorders inspector)

The AAIC signed a MoU with British Air Accidents Investigation Branch.<sup>54</sup> Another MoU with the German Aircraft Accident Investigation Authority (BFU) was signed on 8 July 2010. Both memorandums ensure that the respective authorities of UK and Germany will support the AAIC with the staff and equipment, free of charge, in case of an accident.

## 3.4 Civil Aviation Authority- CAA

### 3.4.1 Responsibilities, Organization, Structure

CAA is established by the Law on Civil Aviation as an independent regulatory agency, which is responsible for the regulation of civil aviation safety and the economic regulation of airports and air navigation services in the Republic of Kosovo.<sup>55</sup> The responsibilities of CAA derive from article 130 paragraph 1 of Constitution of Republic of Kosovo which states that *"The Civilian Authority of Republic of Kosovo shall regulate civilian activities in the Republic of Kosovo and shall be provider of air navigation services as provided by law"*. Furthermore article 142 of the Constitution stipulates that: *"... independent agencies of the Republic of Kosovo are institutions established by the Assembly based on the respective laws that regulate their establishment,*

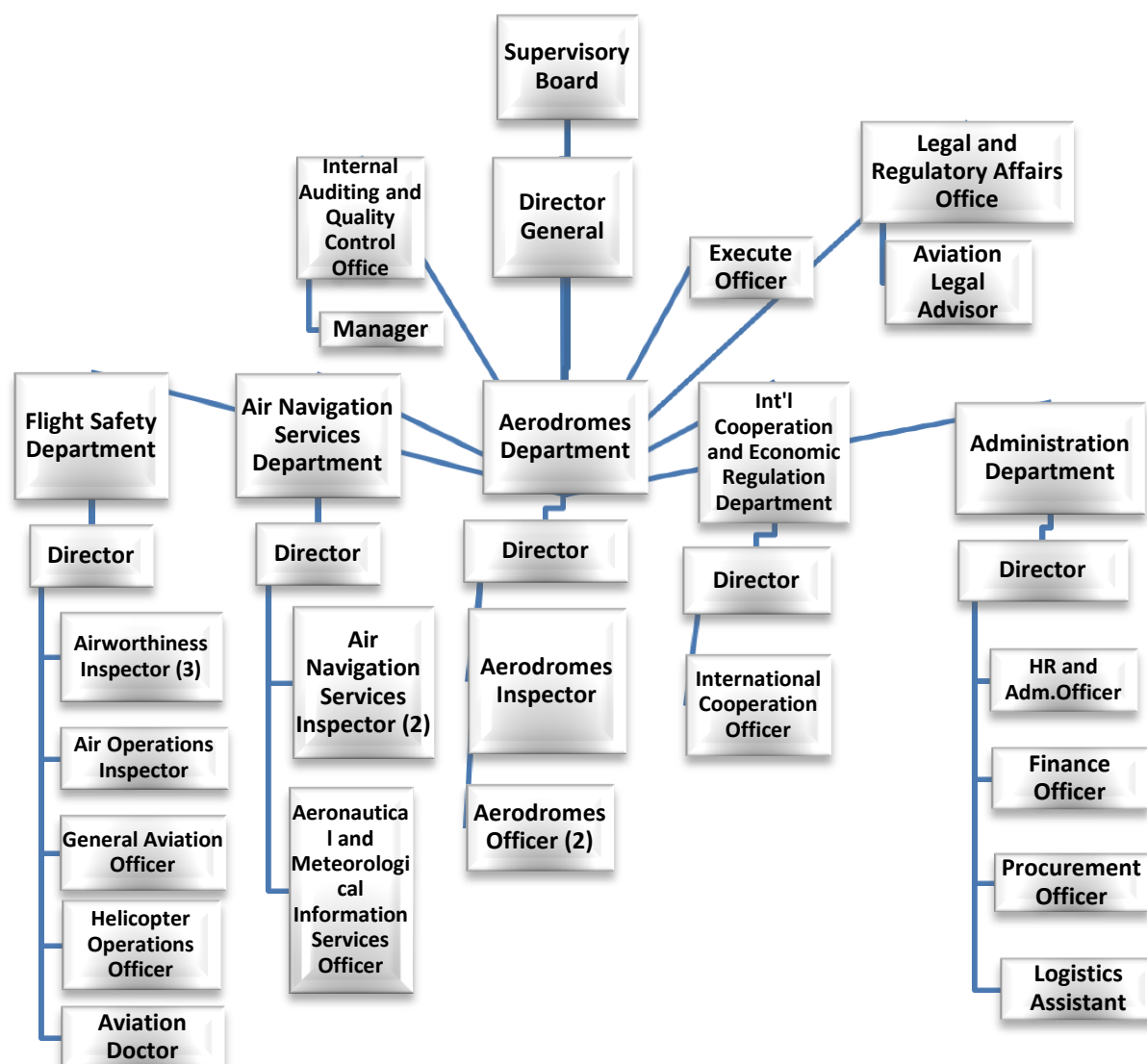
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<sup>54</sup> Memorandum of Understanding with British Air Accidents Investigation Branch; date; 09 March 2011

<sup>55</sup> Civil Aviation Law

operation and competencies. Independent agencies exercise their functions independently from any other body or authority in the Republic of Kosovo”

**Figure 3.3 Organizational Structure of CAA**

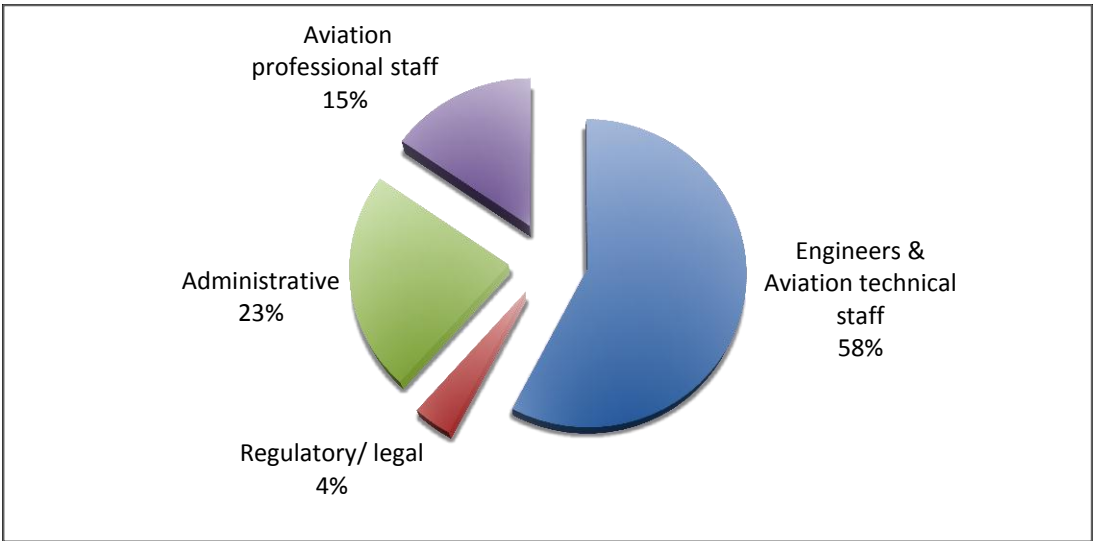


Sources: CAA

### 3.4.2 Human capital in the CAA

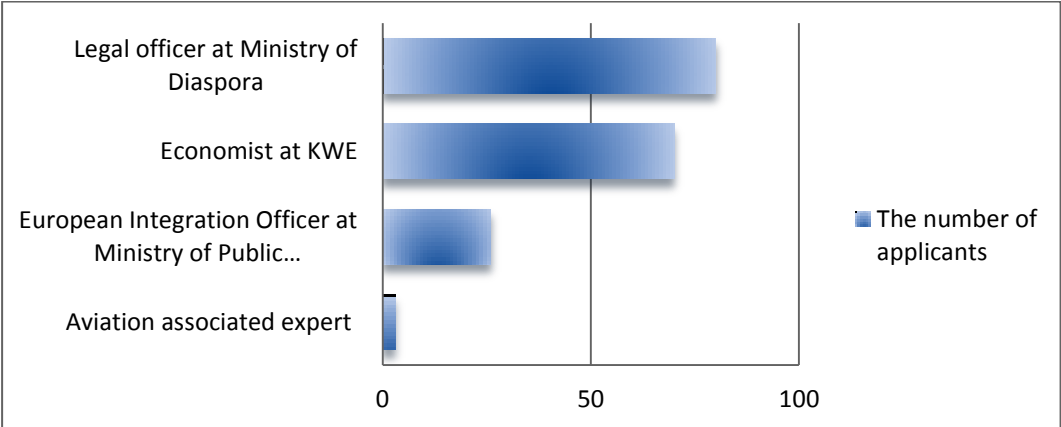
The CAA has 26 officers. Most of CAA professionals have gained their academic degrees in foreign countries, especially those on technical departments such as Flight Safety Department, Air Navigation Services and Aerodrome Department. Aeronautical and aviation professionals in our country are rare.

**Figure 3.4 CAA Staff profiles**



In those CAA technical departments are working twelve (12) officials with nine (9) of them have studied abroad due to specific requirements and lack of the profile education in aviation profiles. Figure 3.5 below shows the number of applicants for different job positions in three public institutions and one private company. As it shows, Kosovo labor market offers less aviation professionals.

**Figure 3.5The number of applicants in different organizations and different job position**



This can be easily proved by CAA vacancy competition in January 2012, for associated professional in Flight Safety Department, when only three candidates have applied. Two of them were outside of Kosovo and the interview was conducted by video conversation. CAA has invested in its human resources in order to achieve institution objectives according to the international standards. It was advantage that CARO personnel have been trained under UNMIK-ICAO agreement (MSA).

### 3.5.4 Recruitment and Remuneration of CAA Staff

It is the responsibility of the Director General to recruit professional and experienced staff in order to ensure effective and efficient implementation of the functions and responsibilities vested by the law”.<sup>56</sup> According to the present law the Director General has established a salary scale for the members of the professional staff of the CAA taking consideration to the compensation of positions in the civil aviation industry that require similar competence, education, knowledge and experience. The salary scale requires approval of the Minister of Economy and Finance (now Ministry of Finance).

If necessary, CAA may procure the services of up to nine (9) qualified outside professional and/or technical experts to ensure that key aviation-related positions within the CAA are filled with suitably qualified persons, the and the other specific conditions<sup>57</sup>. The previous practices in the region show that filling positions within the CAA is better if this is done with regular recruitment procedures rather than to procure services by outside.<sup>58</sup> On other hand if Kosovo Civil Aviation Authorities are unable to provide sufficient staff for their operations they must arrange to use the services of experienced personnel from another state authorities. In this case, the budgetary implications would be enormous. It can be shown with a chart in figure below that international experts cost a lot for their services provided. In 2006 under the UNMIK authority, deputy head of CARO who was an international, has received monthly remuneration of more than 14.000 US Dollars, meanwhile the other deputy head as a local staff has received monthly salary of around 2000 USD. Or taking the other example of international short consultants during 2006 that was contracted through ICAO for 83,741 USD for only 4.6 months of service, which means that monthly compensation paid was more than 18.000 USD.

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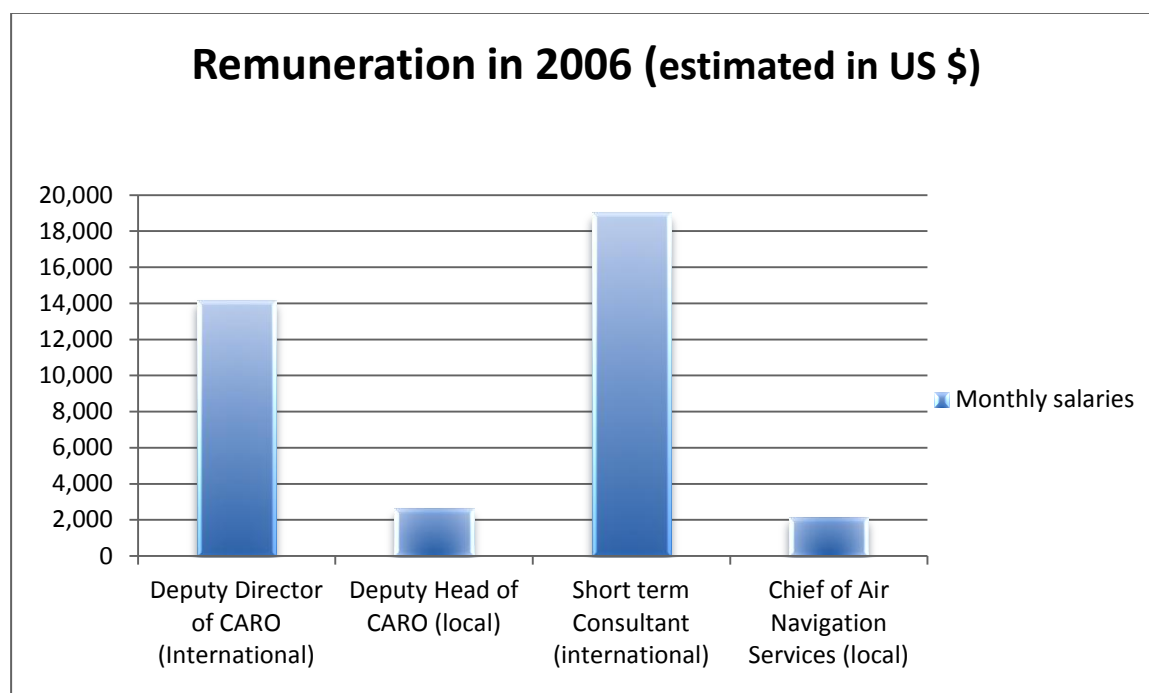
<sup>56</sup> Civil Aviation law article 24.1 AAC staff page22

<sup>57</sup> Ibid 2,3 page 23

<sup>58</sup> Albania is an example when it require technical assistance from other states instead to prepare and invest in their own resources. It also requires technical support from CAA



**Figure 3.6 International and local experts remuneration during 2006 in CARO**



## Chapter 4

### THE PRISHTINA INTERNATIONAL AIRPORT “ADEM JASHARI”

#### 4.1 Background

Pristina International Airport “AdemJashari” is located approximately 15 km southwest of the city of Prishtina. Its elevation is 545, 4 meters above sea level. The aerodrome reference point is 42°34’22’’N and 21°02’09’’E, (WGS 84).

The airport is located in the eastern valley of Kosovo and surrounded by two range of mountains, located to the west and to the south respectively. The closest summit to the aerodrome is Golesh Mountain to the west, which reaches the height of 1019 meters. Mushutishte Mountain about 35 kilometers from the aerodrome to the south, reaches the height of 1723 meters. The airport area is situated in two municipalities; the southwest part in Lipjan and the northwest part in Fushë Kosova. The Airport was built during the 60’s and was principally used as an air force base, with limited commercial traffic. Closed to civilian traffic during the conflict, it was reopened again as a military base under the control of UNMIK on January 16th, 2000. Since then it has developed from a facility mainly used for military and humanitarian purposes to a dynamic civil aviation airport.<sup>59</sup> KFOR handed over the responsibility of the aerodrome operations to UNMIK on 1st of April 2004. All assets used and operated by Air Traffic Control Services (ATCS) in civil aviation operations at Pristina Airport were under the administrative control of Public Enterprise Airport Pristina (PEAP)<sup>60</sup> Pristina Airport (Public Enterprise) was transformed from an Air Navigation Service Provider into a Joint Stock Company (J.S.C.) under UNMIK Regulation No. 2001/6 and its name was changed to Pristina International Airport Holdings J.S.C. (the “Company”) on June 23, 2005. On 04 April 2011, CAA has transferred the certificate of operation from Prishtina International Airport “Adem Jashari” to a new operator: “Limak Kosovo International Airport” J.S.C. This company, established by the Turkish and French consortium “Limak Kosovo” and “Airport de Lyon” will operate the only international airport in Kosovo for a period of 20 years, according to an agreement for public and private partnership, with a selected model Design-Finance-Build-Operate-Transfer (DFBOT), signed in August 2010 between the government of the Republic of

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<sup>59</sup> Master Plan 2005-2025, as prepared by Swedavia in 2005

<sup>60</sup> Administrative direction no. 2004/4 Implementing Unmik Regulation No. 1999/1, As amended, on the Authority Of The Interim Administration In Kosovo

Kosovo and the private partner<sup>61</sup>. Pristina's is the third airport in the region to be taken over by a Turkish company, after those in Macedonia (Skopje and Ohrid).

## **4.2 Infrastructure and Future Investments**

Airports are national symbols, especially in the capitals. The airport terminal is the first impression that visitors gain when they arrive in a country for the first time.<sup>62</sup> Infrastructure industries and services are crucial for generating economic growth. Widely available and affordable telecommunication and transportation services are critical to generating employment and advancing economic development.<sup>63</sup> The Airport is of strategic importance to Kosovo's economy and as the country's only international airport, it serves as the primary gateway to the rest of the world. Public private partnership (PPP) is foreseen to manage the Prishtina International Airport for the next 20 years where it is foreseen that the only airport in our country will be modernized and expanded to 25 thousand meter square out of the 100 million Euros investments which will be done by Limak- Airport de Lyon<sup>64</sup>. A transaction widely recognized as one of the most successful infrastructure PPPs in the country.<sup>65</sup> The investor has already started construction of a new 42,000 square meters terminal and plans to invest €100 million over the next three years in a new control tower, better landing runways, new car park and new access road from the capital.<sup>66</sup> According to the Master Plan prepared by private partner and approved by grantor, the airport will need an initial development plan, and future mid and long-term developments phases.

### **4.2.1 Initial Development Plan started 2011-2013**

The first development plan has already started and it is going to be completed within 2013 as indicated on the PPP Agreement. The construction works include:

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<sup>61</sup> CAA Annual Report 2011page 35

<sup>62</sup> Pristina International Airport Adem Jashari Final Master Plan April 2012

<sup>63</sup> Reforming Infrastructure , Privatization Regulation, and Competition; A World Bank Policy Research Report

<sup>64</sup> [www.airportpristina.com](http://www.airportpristina.com)

<sup>65</sup> [www.Deloitte.com](http://www.Deloitte.com)-Kosovo Public-Private Partnerships Program Advisory Services U.S. Agency for International Development

<sup>66</sup> Doing Business in Kosovo: 2012 Country Commercial Guide for U.S. Companies; US Commercial Service

- New passenger terminal (designed to handle 900 to 1000 departing or arriving Peak Hour Passenger<sup>67</sup>(PHP) with a level of service C (good).<sup>68</sup>
- New car park area and road access;
- New apron (with 100% contact aircraft stands), taxiway enlargement and connection to the apron.
- Air Traffic Control tower
- Enlargement of Taxiway Alfa
- Two anti-de-icing pads
- Improvement of the drainage system

The constructions are in implementation phase and other infrastructural improvements will be planned, such as (but not limited to) Air Traffic Control facilities and navigational aids, utilities, fuel farm and waste treatment facilities.

#### **4.2.2 Future development phase 1: mid-term plan (2020)**

In year 2020, it is planned to construct another 7,000 m<sup>2</sup> expansion area to the terminal. In accordance with this expansion, 1 MARS type passenger boarding bridge and 1 remote gate will be added. According to the international standards and Key Performance Indicators, new terminal equipment will be added, including but not limited to 5 extra check-in desks, 5 extra self-check-in, 2 extra baggage drop off desks. One more additional passenger boarding bridge will increase the aircraft parking capacity from 8 Code C- 4 Code E to 10 Code C - 5 Code E. Landside parking areas will also be expanded in accordance with the demand.

#### **4.2.3 Future development phase 2: long-term plan (2030)**

In year 2030, it is planned to expand apron area to be able to accommodate 1 more Code E aircraft parking. This will increase the aircraft parking capacity from 10 Code C- 5 Code E to 12 Code C – 6 Code E. Passenger terminals and ground landside parking areas will also be expanded in accordance with the demand. If needed, a hotel complex with commercial facilities will be included to the master plan during the development phases.

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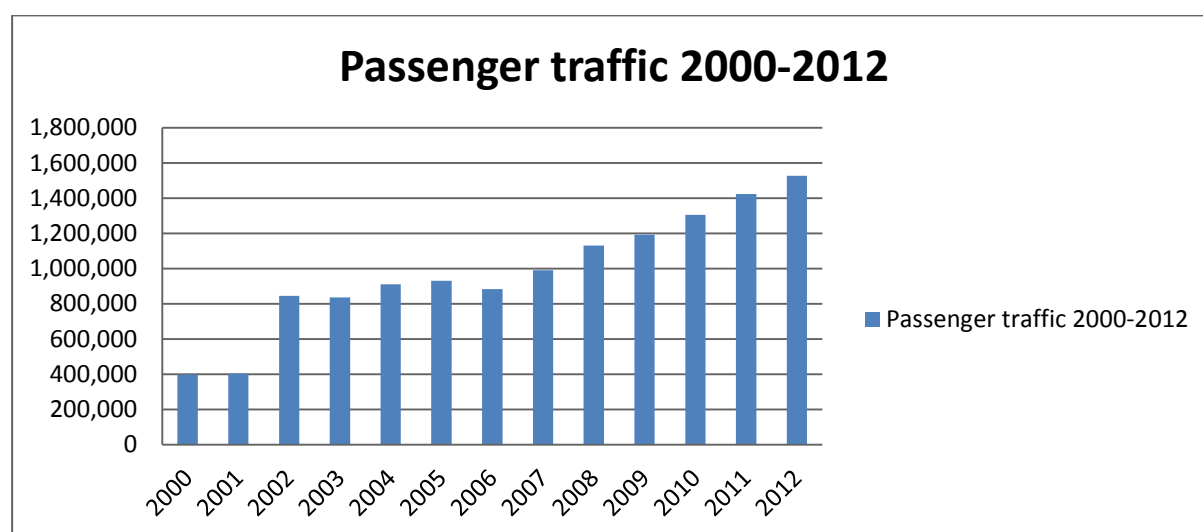
<sup>67</sup>The PHP is the maximum passenger flow, lower than the absolute peak, reached in busy periods of a typical busy day.

<sup>68</sup> Level of services specified by IATA

### 4.3 Statistics and Flights at Pristina International Airport “Adem Jashari”

Pristina International Airport is one of the busiest airports in the Balkan. Most of the passengers are Kosovars who are living abroad and visiting family during the summer holidays and New Year. During 2012, 1,527,134 passengers have flown through Prishtina International Airport "Adem Jashari". This represents an increase of 7.37 % in the number of passengers compared to 2011, when this number was 1,422,302.

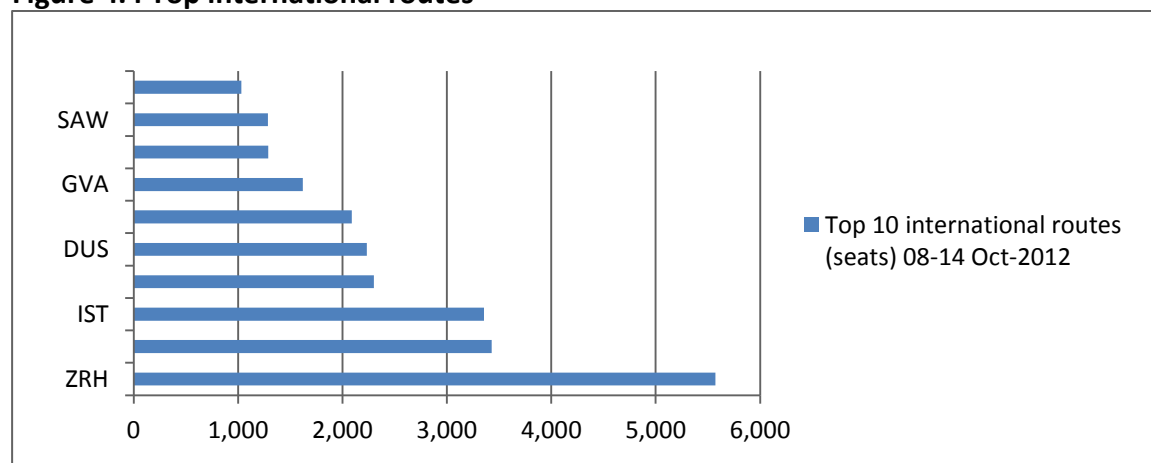
**Figure 4.1 Passenger traffic 2000-2012**



Sources CAA

Pristina is mainly served by western European carriers, and this is reflected in the breakdown of capacity from the airport. The figure 4.4 shows that three quarters of scheduled capacity at the airport is currently to western European destinations (20,700 seats), Germany is the largest single market, accounting for about 30% of arriving seats at Pristina (6,600 seats).

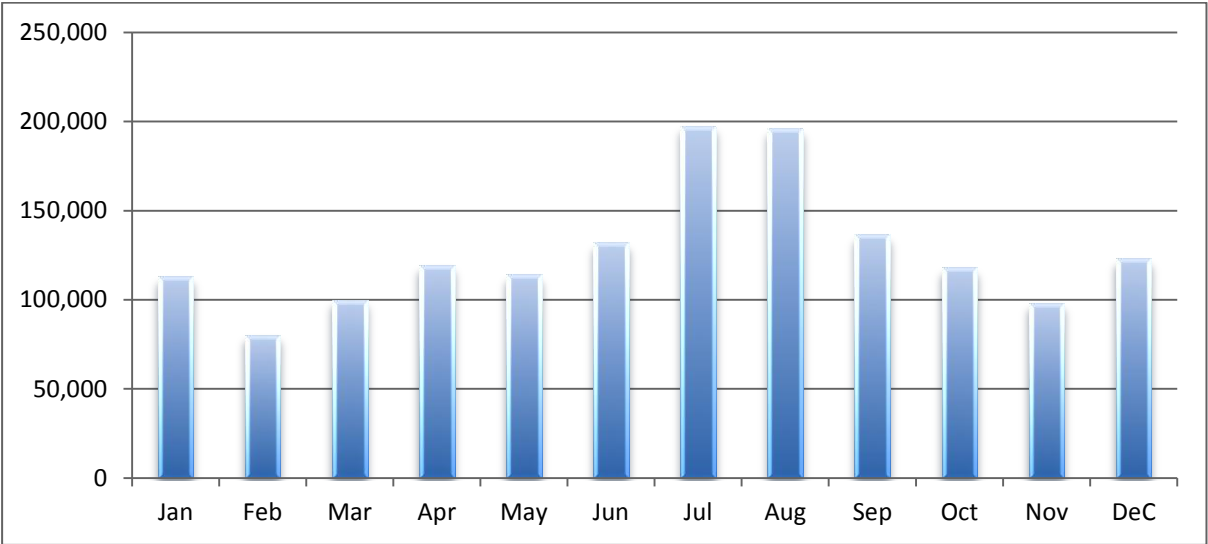
**Figure 4.4 Top international routes**



Source: CAPA – Centre for Aviation & Innovata

As it shown in figure below, during 2012 July was the busiest month with a total of 197,331passengersin the year, followed by August with 196,047

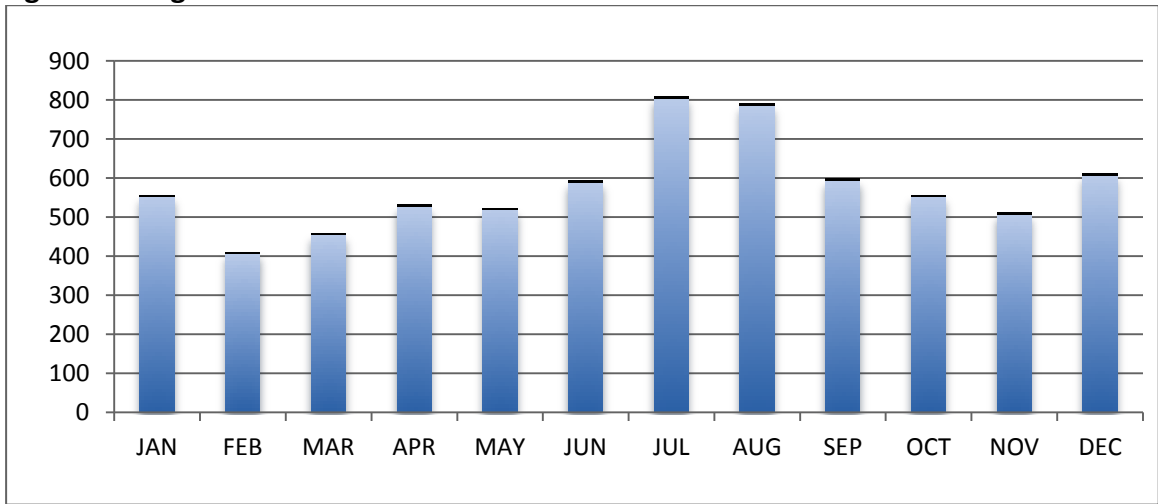
**Figure 4.5 Passengers by month 2012**



Sources: CAA

The peak time for the passenger terminal is between 13.00 and 17.00. The busiest days are Wednesday, Saturday and Sunday. From 2001 to 2004, commercial traffic experienced a steady growth which slightly declined in 2005 and 2006. In 2007 and 2008 however, growth in commercial traffic picked up again recording annual growth rates over 10%. Compound annual growth rate of commercial air traffic averaged 5.3% during 2003 – 2008. The latest surge in commercial air traffic allowed Pristina to handle more than 1 million annual commercial passengers for the first time in their history, totaling 1,130,639 passengers in 2008.

**Figure 4.6 Flight Movements 2012**



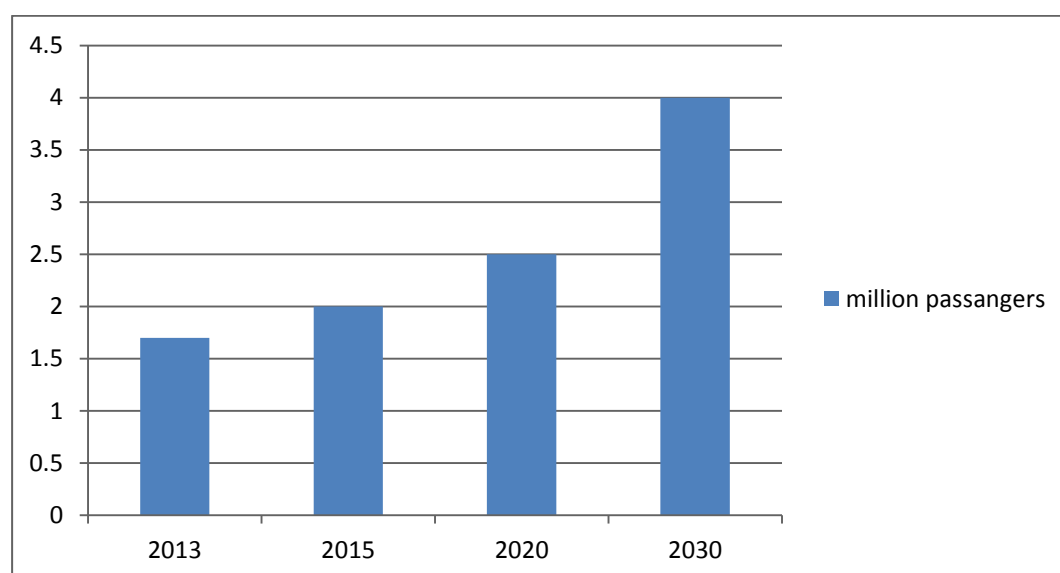
Sources : CAA

Predictions of passenger numbers increase over the next 20 years are shown in the table below. Projections for short term are based on Airlines and destinations identified as initial targets for air routes developments at PIA. For medium and long-term, studies were based on macro-economic data, ECAA implementation / market liberalization, and Airlines development policies. These projections will be reviewed to adjust to the observed traffic evolution.

The annual traffic assumptions for the Master Plan are:

- 1.7 million passengers by 2013
- 2 million passengers by 2015
- 2.5 to 2.6 million passengers by 2020
- More than 4 million passengers by 2030

**Figure 4.7 Annual passenger assumptions from 2013-2030**



Source: PIA "Adem Jashari" Master Plan 2012

## Chapter 5

### HUMAN RESOURCES CAPACITIES IN CAA ACORDING TO THE FIRST SURVEY

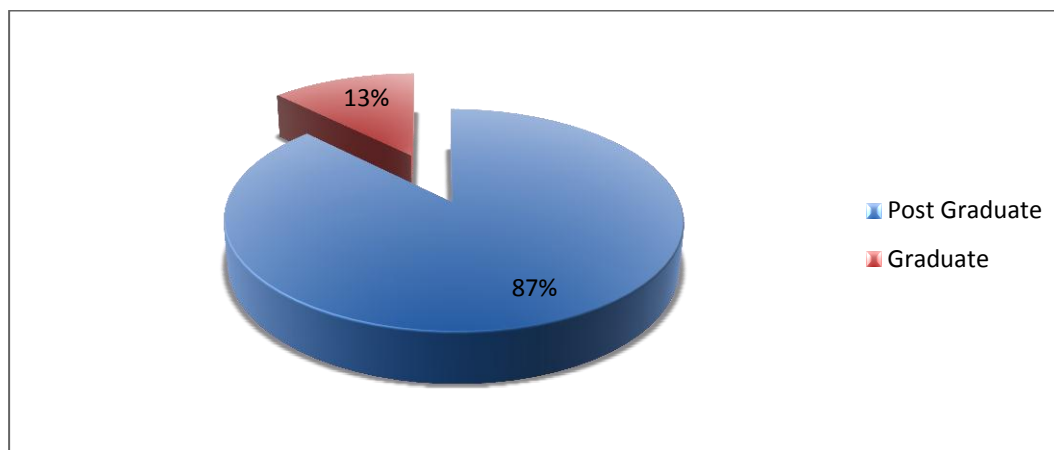
#### 5.1. Summary of 1<sup>ST</sup> survey

The quality of the institution depends on the quality of the people who work for. It depends on how good job is institution doing in hiring skilled workers. <sup>69</sup>A survey was used, by this capstone project, to understand the current situation in CAA from the perspective of technical and professional staff. The questionnaire was comprised of multiple choices questions. The questionnaire was compound by four section, include: professional background, technical professional requirements, working conditions and Professional development of employees.( see Appendix 1)

#### 5.2. Results of Section A - Professional Background

More than 70 % of CAA staff has gained their academic degrees in foreign countries especially those on technical departments such as Flight Safety Department, Air Navigation Services and Aerodrome Department.

**Figure 5.1**What is your qualification?



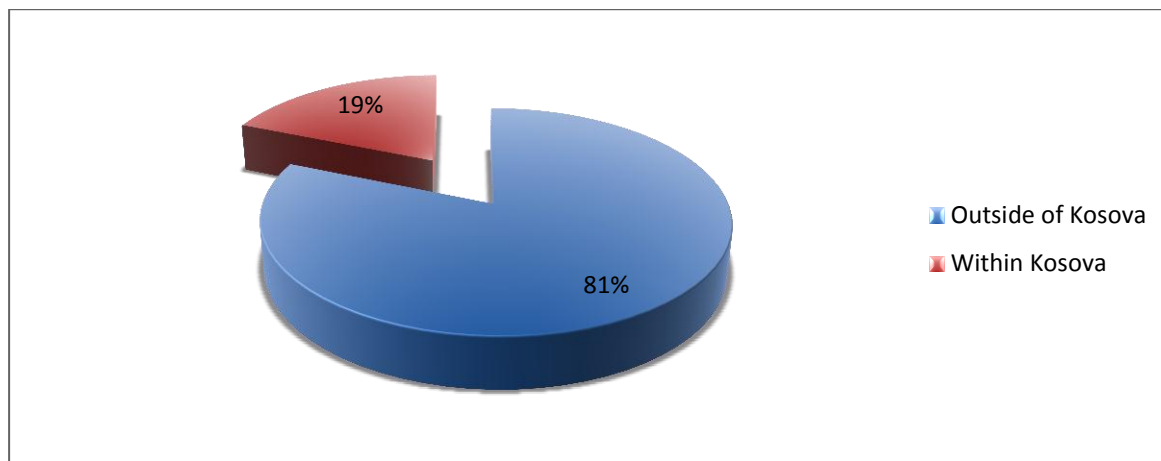
In technical departments actually are working 11 officers and 9 of them have studied abroad due to the specific requirements and lack of the profile education in aviation.

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<sup>69</sup>The Politics of the Administrative Process; Donald F. Kettl& James W. Fesler 4<sup>th</sup> Edition chpt. 9 Managing Human Capital pg.243



**Figure 5.2 Where did you gain your academic degree?**

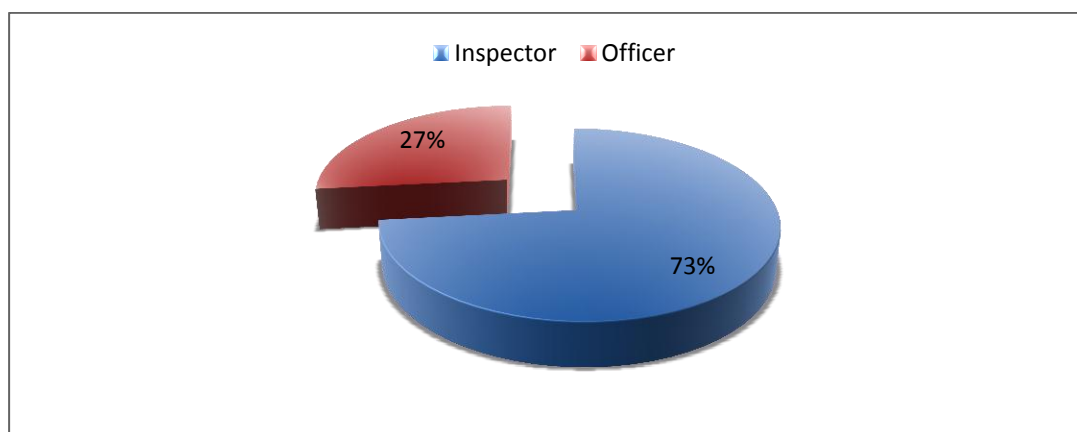


### **5.3 Results of Section B – Technical professional requirements**

The implementation of processes such as inspections and audits are responsibilities of aviation technical department's inspectors who need to be properly organized with high degree of qualifications, experience, competence, and dedication.

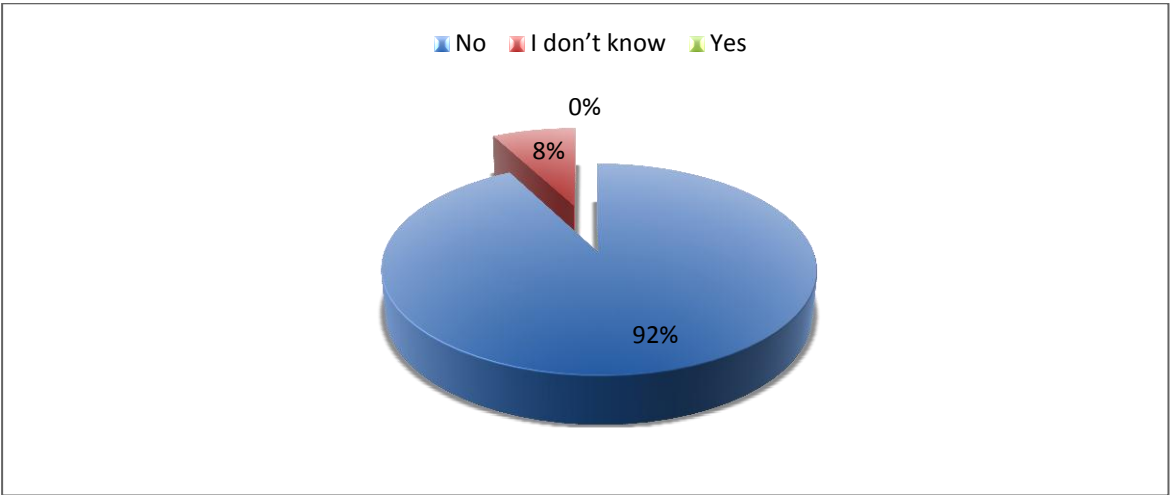
Figure below shows that 73% of CAA aviation professional staff are engineers and technicians and they are engaged as inspectors. (Inspectors on Airworthiness, Aerodromes and Air Navigation Services)

**Figure 5.3 What is your job position?**



It is necessary that States authorities to finance their technical personnel initial and recurrent training to gain and maintain their credentials. The requirement to gain inspector credentials is completion of initial required training. The figure 5.4 below shows that our country doesn't offer the trainings to maintain the inspector credentials.

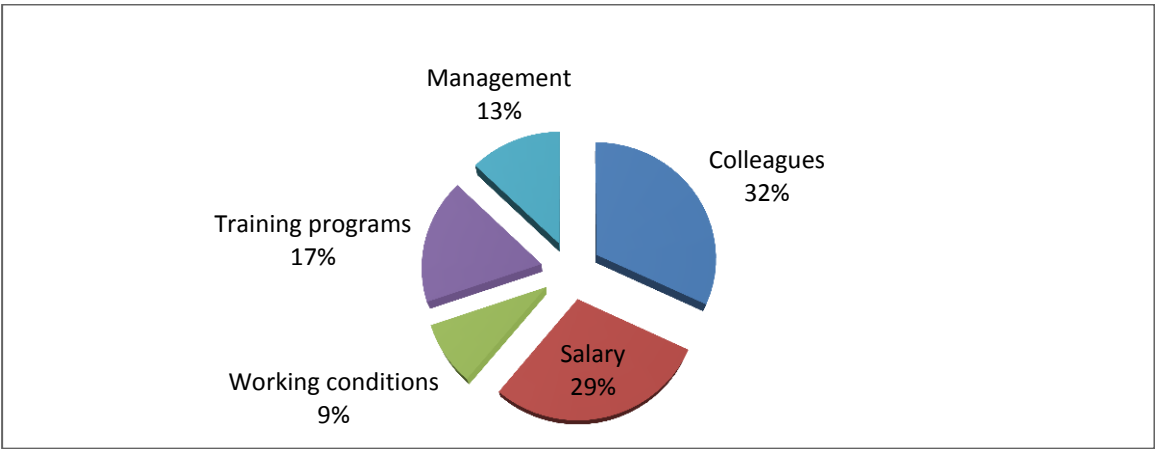
**Figure 5.4**Does your country offer training to maintain inspectors’ credentials?



**5.4 Results of Section C – Conditions and Services**

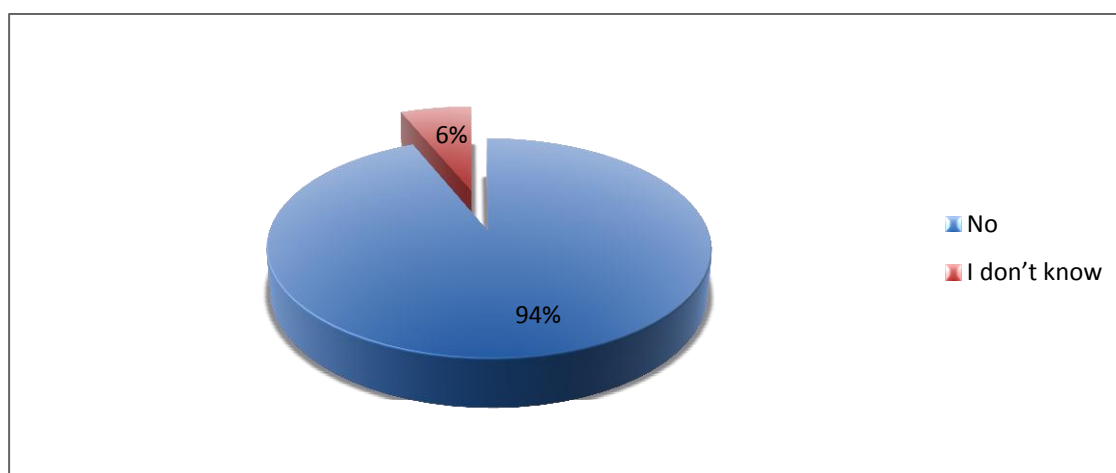
In the question of section C “How do you rate the best things in your working place?” the employees were answered as below:

**Figure 5.5**How do you rate the best things in your working place



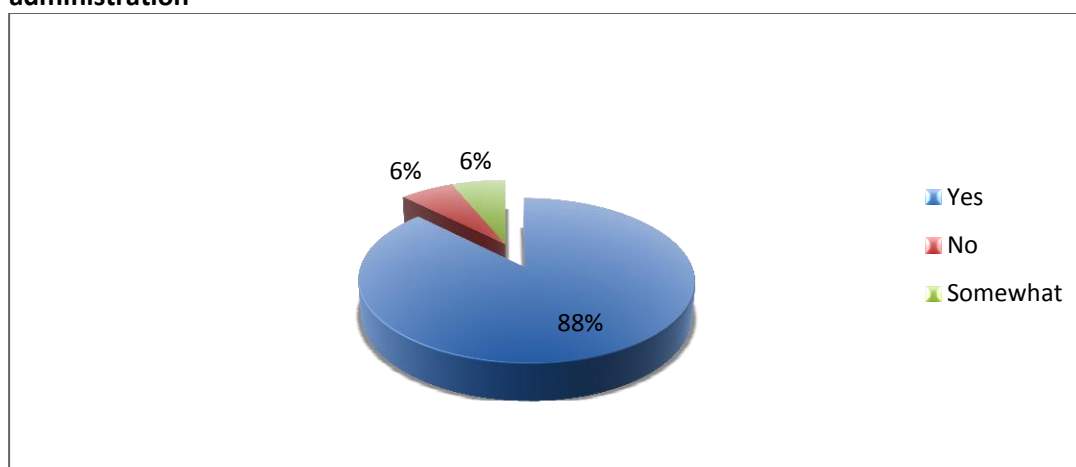
Colleagues and salary are best things for those who answered positive in this question of figure above (Fig. 5.6). Civil Aviation Authority considered to be in advantage position related to salary with other the Kosovo public institutions but, figure 5.7 shows that they paid less than regulated industry whose they it inspect.

**Figure 5.6Is your salary competitive with regulated aviation industry?**



In 2012, the government in accordance with the Law No. 03/L-149, on Civil Service of the Republic of Kosovo and Law No. 03/L-147 on Civil Servants Salaries has issued regulation no. 5/2012 On Classification of Jobs in Civil Service which aims to set the criteria and procedures for classification of jobs, grades and grade steps for civil servants in central and local level institutions. Regulation aims to level salaries in public administration. It means for example, that all categories such as directors or professional categories to have same incomes. If the implementation of this regulation is going to happen for Civil Aviation Authority means reduction of its staff salaries.<sup>70</sup>

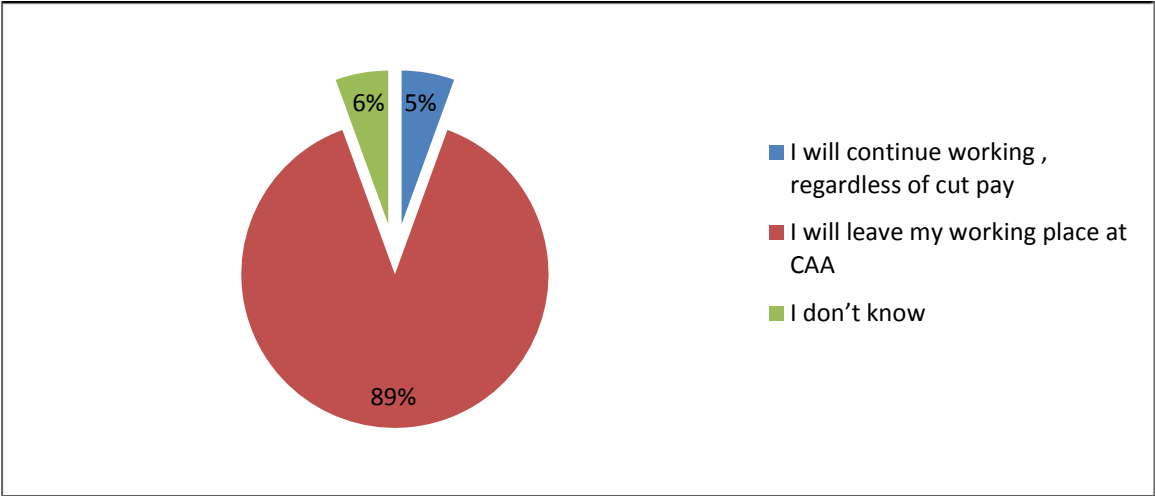
**Figure 5.7Are you informed about government policies regarding the leveling of salaries in public administration**



Civil Aviation Authority staff is competent and well motivated. Nevertheless in the question of Figure 5.9 “if reduction of salaries is going to happen, what your reaction will be”? The 89 % of them answered that they will leave their working place at CAA.

<sup>70</sup> Civil Aviation Law Nr. 03/ L- 51 article 24

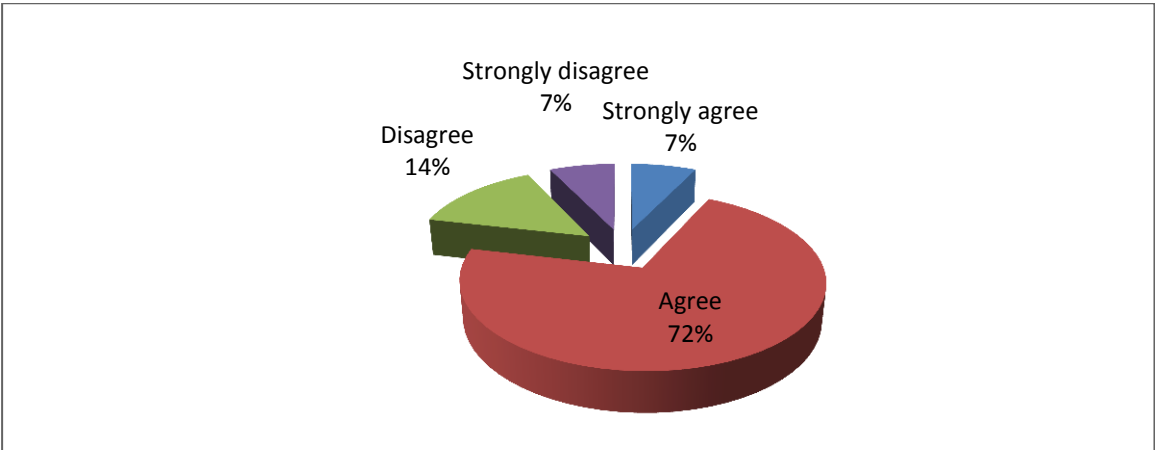
**Figure 5.8**If reaction of salaries is going to happen, what your reaction will be?



**5.5 Section D Employee Development**

Even the industry offers the salaries more than CAA, the staff believed that CAA is very credible institution and it offers appropriate plans for professional development in coming years. (Figure 5.10)

**Figure 5.9** Do you consider that CAA is offering appropriate plans for professional development in coming years?



According to a previously approved training plan 2011, the CAA staff has attended trainings, sponsored by donors as well as training funded by CAA budget. Personnel are trained mainly in the training centre of the Joint Aviation Authorities (JAA) in relation to flight safety and

operations as well as EUROCONTROL and International Air Transport Association (IATA) training centers.<sup>71</sup>

**Figure 5.10 Annually Training direct costs of aviation professional staff 2010-2012**

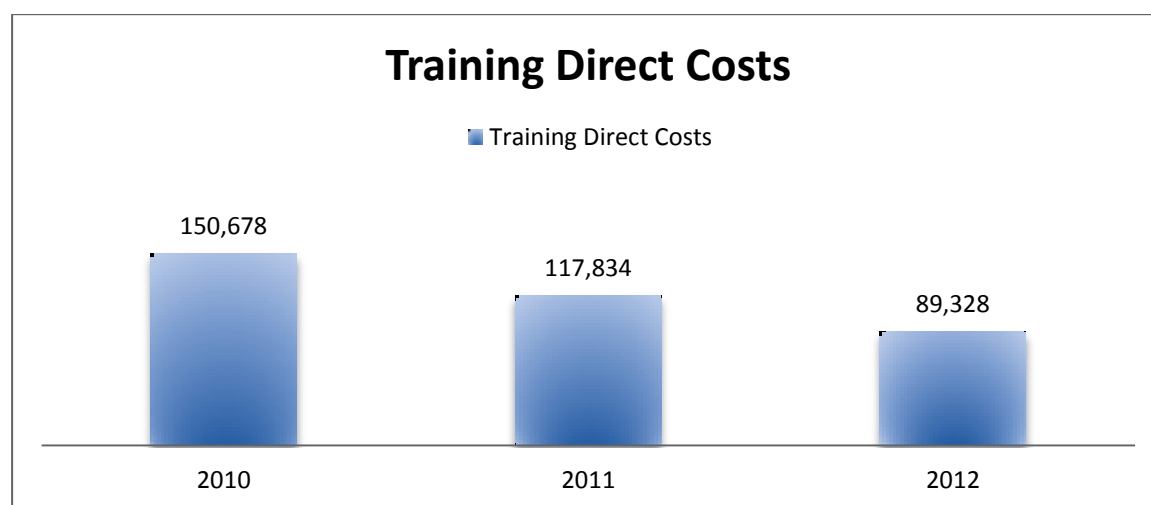


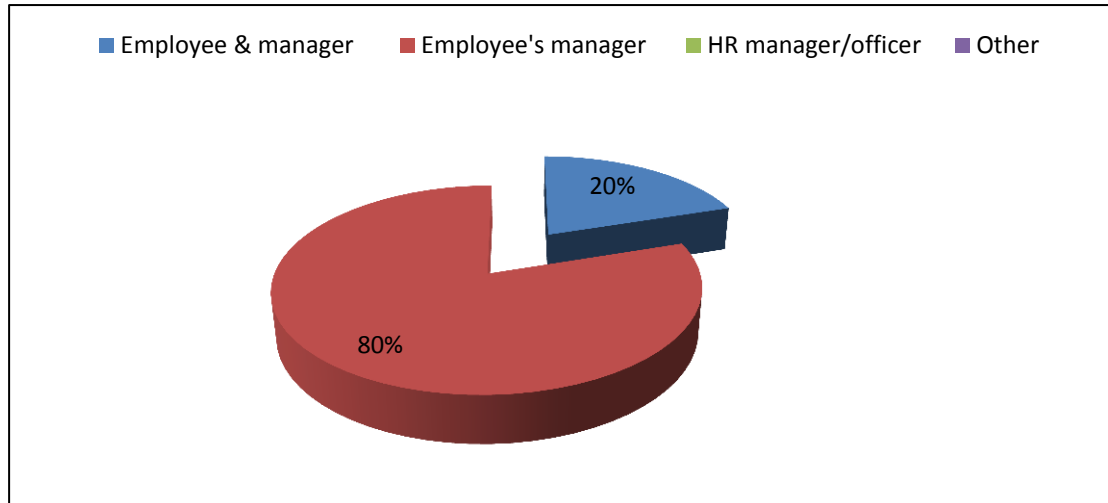
Figure 5.10 shows that CAA invests in capacity building and maintaining of professional capacities of its staff, in compliance with international standards and recommended practices. But, it seen that trend of investing is going decrease while the number of employees is increasing every year. The numbers of employees in 2010 were 21 and the training costs were 150.678 euro. In 2011 the numbers of employees was 23 and annually direct training costs were 117.834 euro. In 2012 approved number of employees was 25, while amount of training direct costs for this year is 89.328 euro.

“Effective training practices involve the use of training design process and the design process begins with a needs assessment” Because the goal of needs assessment is to determine whether training need exists, who it exists for, and for what tasks training is needed it is important to include managers, trainers and employees in the needs assessments process<sup>72</sup>.

<sup>71</sup> CAA Annual report 2010 professional training

<sup>72</sup> Employee Training and Development; Author: Raymond A Noe; 5<sup>th</sup> Edition

### 5.11 Who identifies / assess employee training needs?



The figure 5.11 shows that 80% of training needs are identified by employee's manager. The employees 100 % agreed that in the future training needs to identified through a training design process that includes personal organizational and task analysis with self-participation in this process in the manner to identified better training needs and, conducted it in properly way.

## Chapter 6

### CIVIL AVIATION CAPACITIES ON MANAGERS'S POINT OF VIEW ACORDING TO SURVEY 2

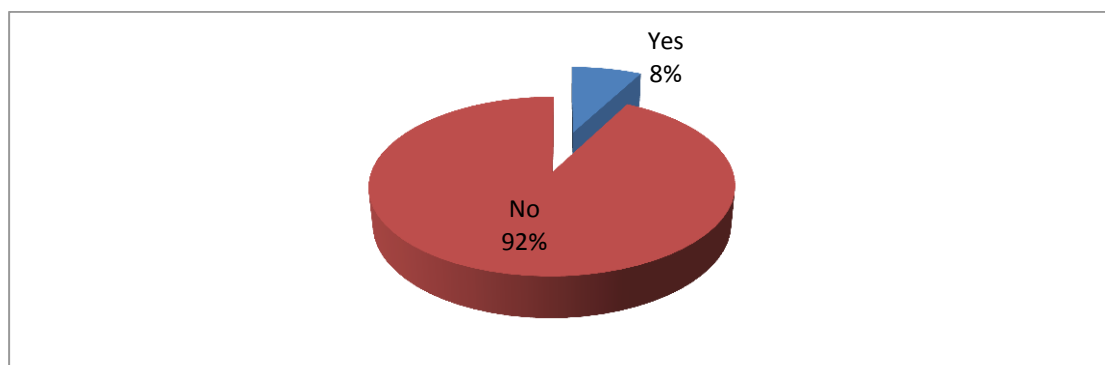
#### 6.1 Summary of 2<sup>nd</sup> Survey

This survey was developed with managers of institutions who are responsible for maintaining civil aviation in safety and security manner in line with international obligations. The participants of this survey were: headers of CAA departments, MI Aviation departments and also AAIC commission chairman. The MIA doesn't answer to neither interview nor filling the questionnaire. The questionnaire was compound by 5 sections. (see Appendix 2) Each of these are described as below:

#### 6.2 Result of section A- Current Civil Aviation Capacities

Law stipulates clear responsibilities of each sector of civil aviation. Surveys show there is a need to increase capacities in order to manage with all duties that are responsible by actual law.

**Figure 6.1 Do you consider that Aeronautical Authorities have enough capacities to manage all duties responsible by the law?**

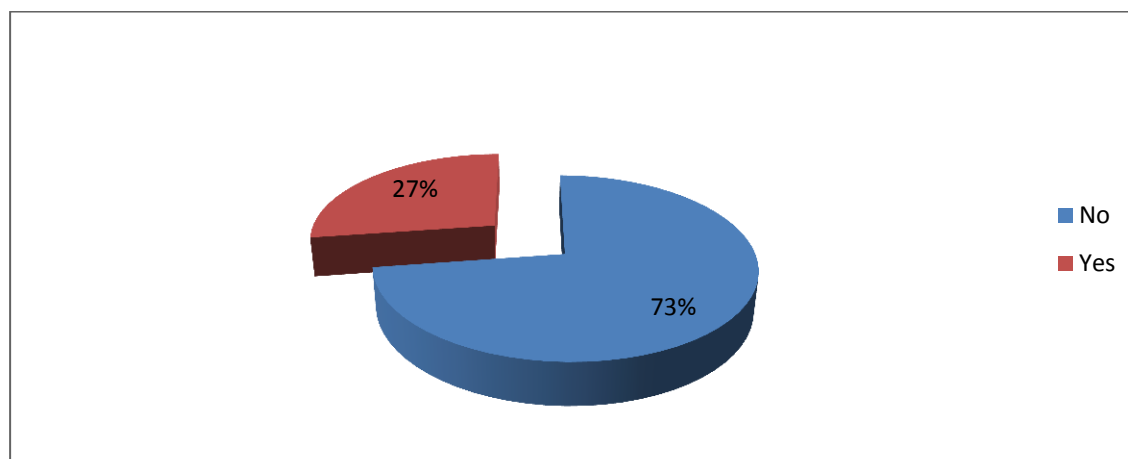


In the question of figure 6.1 if your department has enough capacities to deal with all duties responsible by the law 92 % of responses have answered "no".

#### 6.3 Results on Section B Human Resources Planning

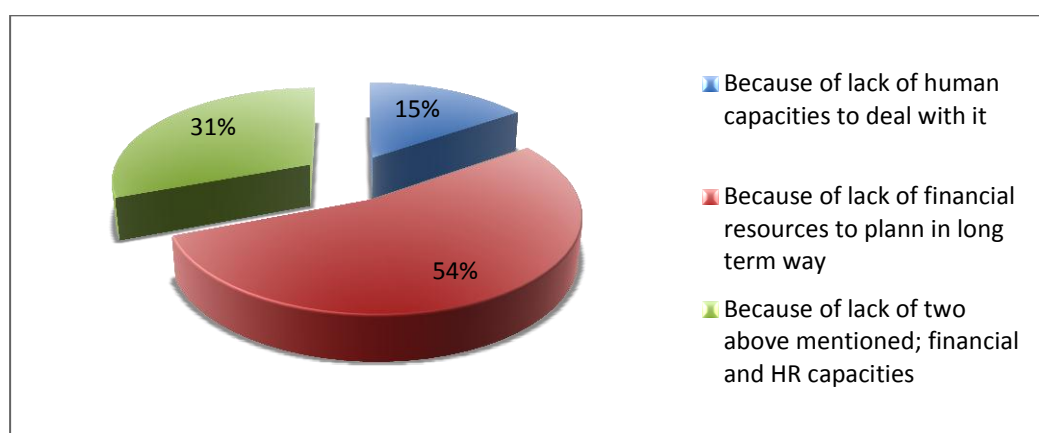
According to the survey (Figure 6.2) most of those institutions doesn't possess human resources planning in a long term way based on institution needs.

**Figure 6.2 Does your department or institution have HR planning, based on needs?**



In the question (figure 6.3) why the institution that you work with doesn't possess a strategic human resources plan, 54 % of them have answered because there is a lack of financial resources to plan in long term way. 15% of respondents answered that there are a lack of human capacities to deal with planning whereas 31% of respondents answered there are the both reasons, lack of financial and human resources.

**Figure 6.3 Why you do not possess a strategic HR plan?**



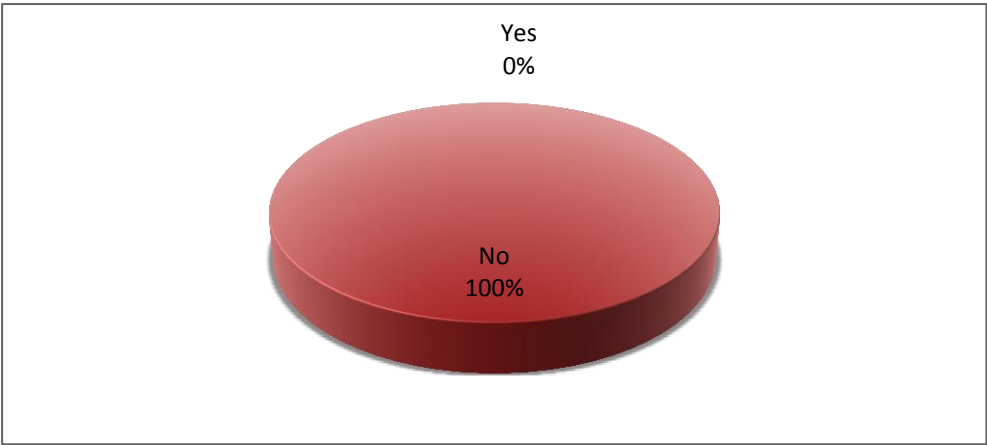
#### **6.4 Results on Section C - Civil Aviation Profiles in our country**

Figure 6.4 below shows that Kosovo doesn't possess enough civil aviation professionals in its labor market. It can show better through recruitment vacant positions at CAA. Most of vacant positions at CAA needs to re- advertise, it is due to lack of aviation professionals to apply for new aviation positions. The regulation on recruitment procedures in civil service stipulates that "...if the number of applications received is less than five(5), the recruitment procedure



shall be interrupted by the personnel unit and new recruitment announcement for the same position shall be published in accordance with conditions and procedures defined under this regulations..”

**Figure 6.4 Do you think Kosovo possess enough aviation professionals?**

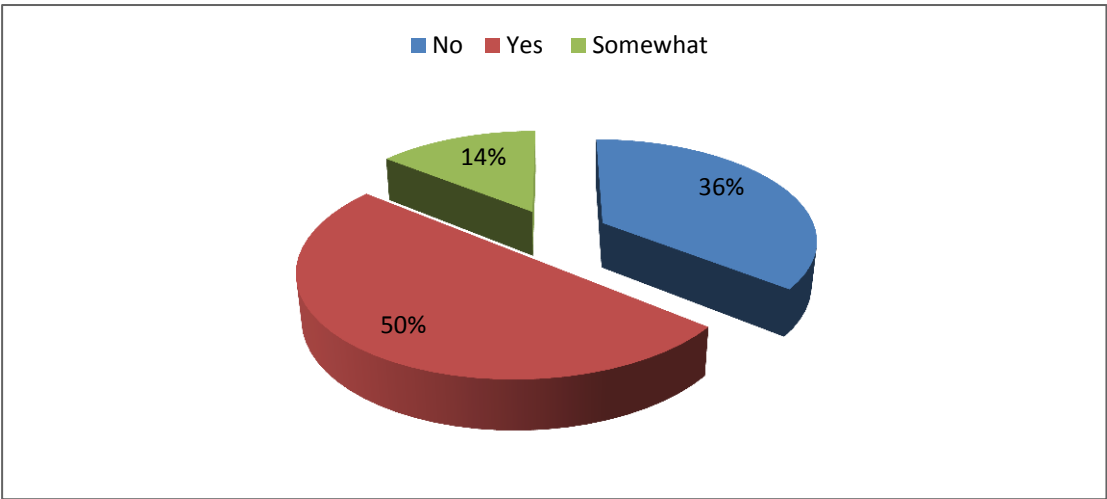


The figure6.5below shows how competitive employer they considered institution that they are working with, 50 % of respondents answered yes, 36 % of them answered No and 14 % of them answered somewhat to this question.

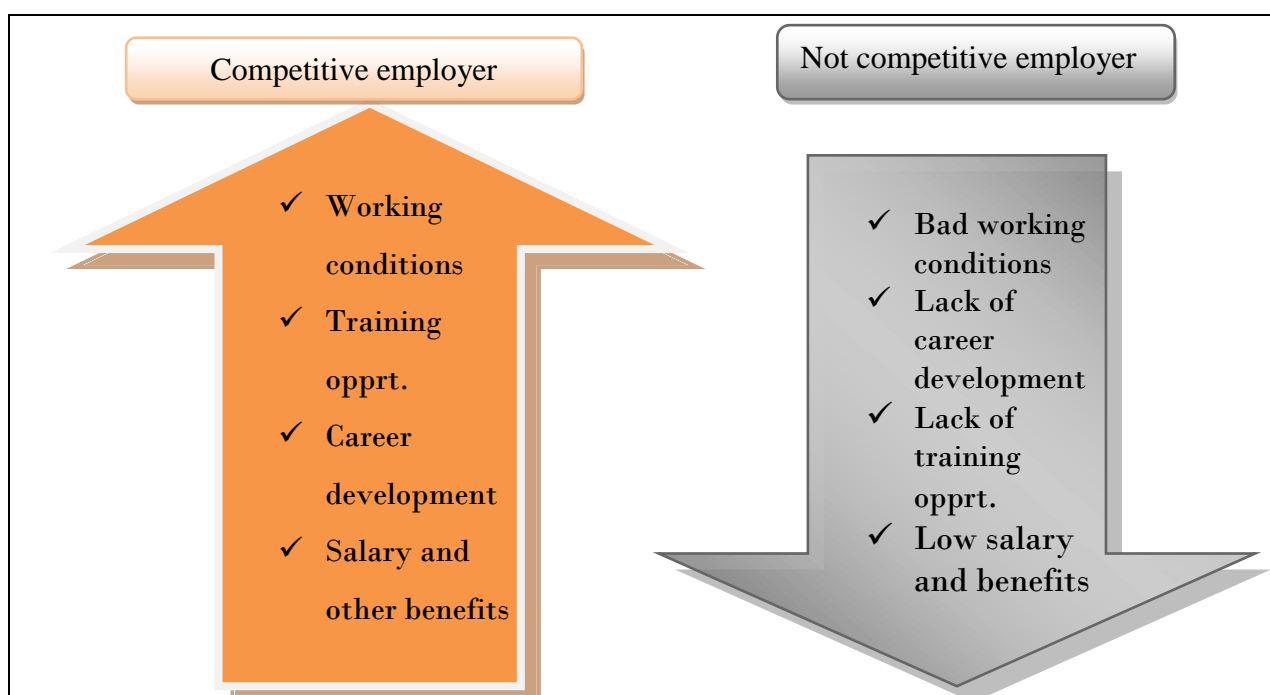
**6.5 Results of Section D – Competitive Employer**

The figure 6.6 shows figuratively how they considered that an institution is an attractive chose employer and which is not. In order to retain qualified personnel it is essential that the states authorities become a competitive employer.

**Figure 6.5 How competitive employer to attract and retain aviation professionals do you consider that your institution is?**



**Figure 6.6 What makes your institution competitive and what makes it not?**



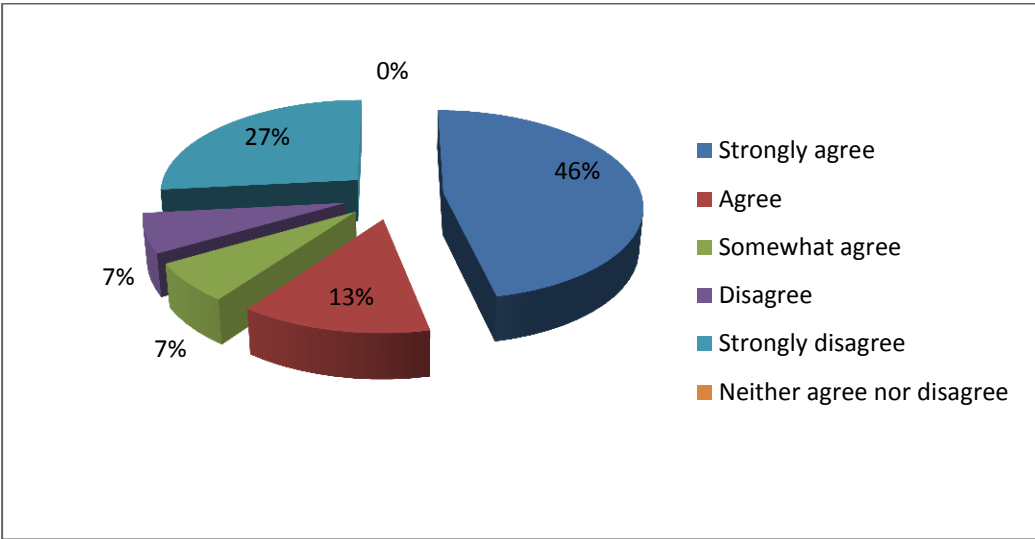
When an authority is competitive employer it is characterized with the provided working conditions in that place. Employee satisfaction is a factor in employee motivation. There are many factors that influenced motivation.

## **6.6 Results on Section E – Institutional Development**

Figure 6.7 shows that some of the managers (46%) strongly agree that they have enough well motivated human resources to do their job, and some of them (27%) strongly disagree that their staff is well motivated related to their job. The surveys shows that CAA managers agreed that they offer to their employees the appropriate conditions and development career programs in order to satisfactorily meet the requirement of competent and qualified staff. It can be better illustrated with an example of recruiting process, when one of the candidates who applied for the vacancy CAA position was from airport staff. The candidate who was working with airport had higher salary and position than at CAA <sup>73</sup>

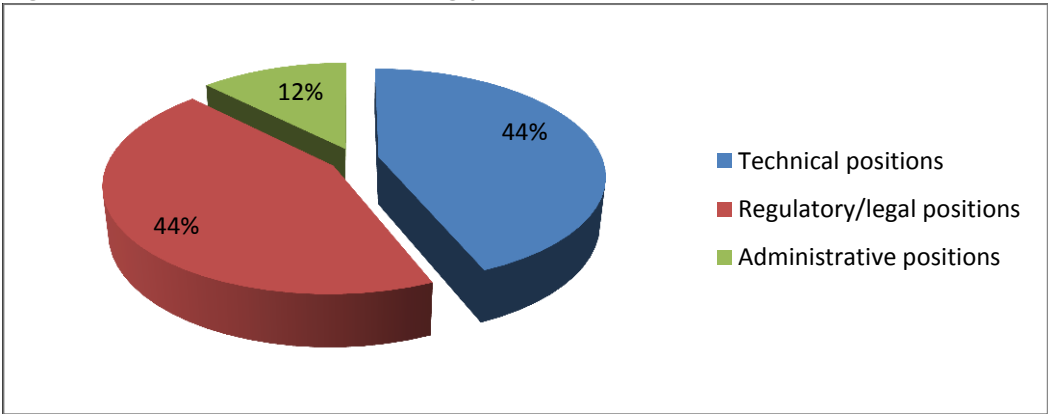
<sup>73</sup>Ref.No.AACK/ADM/BNJ/05/2012

**Figure 6.7 Do you agree that CAA have motivated employees to perform their job?**



The main function of CAA work is focused on drafting implementing regulations and guidance manuals in line with the applicable law in the Republic of Kosovo. CAA’s duty is to develop secondary legislation (drafting implementing regulations) in the field of aviation safety, Air Navigation Services (ANS) and Economic regulation which will be in line with international standards and rules determined by International Civil Aviation Organization (ICAO) and European Aviation Safety Agency (EASA)

**Figure 6.8 Which of the following profiles are most needed to fill structure**



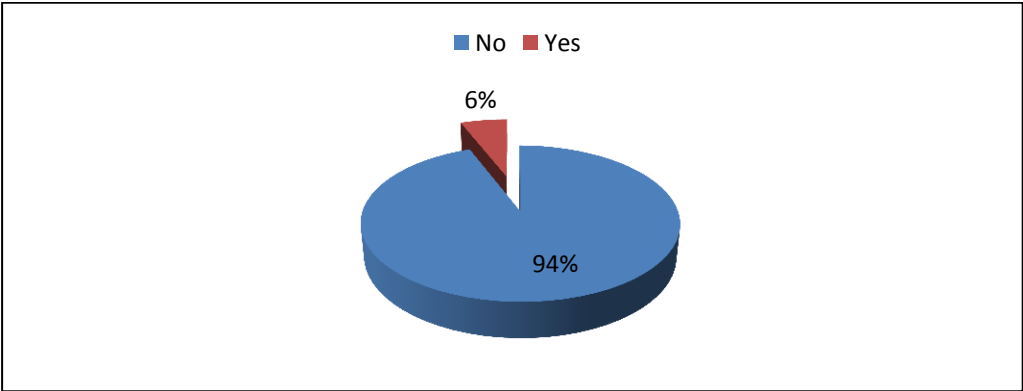
Civil Aviation departments have technical staff which satisfactorily can cover the technical aspects of the tasks. Even though there is a need for additional staff in the future. The survey shows that also regulatory/legal positions are needed to fill structure of CAA. Within the current structure of Civil Aviation Authority, there is just one officer who is helped by other staff to deal with all legal aspects of the regulatory. Surveys show the need for filling position

also with technical profile. The previous chapters show that is an urgent need especially within ministries.

**6.7 Results on Section F- Professional Development**

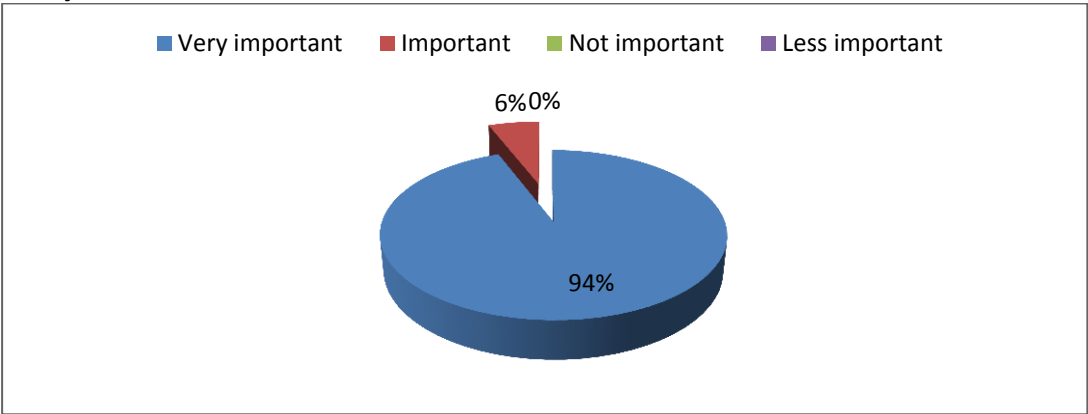
Previous chapters show that trainings of aviation professional staff should be conducted outside of Kosovo because of lack of programs related to aviation. Those trainings cost expensive but, they are necessary in order to maintain inspectors their credentials. As it estimated, results that CAA professional staff, spent individually approximately 8000-10,000 euro per a year. As result of all above mentioned managers think that is necessary to apply “Return on Investment” (RoI) is an important training outcome to justify funding and to increase the status of training and development.

**Figure 6.9 Does the CAA apply RoI calculations to assess training outcomes?**



The purpose of training and development programs is to improve employee and institution capabilities. Training and development programs may be focused on individual performance or team performance. From pie chart below it can be seen that 94 % of all respondents considered that is very important to calculate investment through cost benefit analysis.

**Figure 6.10 How important is to calculate trainings investment through cost benefit analysis**



## Chapter 7

### CIVIL AVIATION AUTHORITY FUNDING

#### 7.1. CAA revenues

CAA is self-financed and, independent regulatory agency. It is financed through dedicated revenues, as defined by the Law No. 03/L-048 on Public Financial Management and Accountability. According to the article 25 of the Law No. 03/L-051 on Civil Aviation, the CAA's dedicated revenues are comprised of:

- Aviation-related taxes, liabilities and fees;
- A percentage of air navigation services offered within the air space of the Republic of Kosovo;
- Passenger safety charges, and certification and licensing charges; and
- Donations, grants and other financial or technical sustainability designated for the CAA.

**Table 7.1 Sources of Budget Funds 2010-2012**

Description	2012	2011	2010
<b>Revenues from fees on passenger safety</b>	1,489,450	1,286,414	1,262,600
<b>Revenues from fees on certification and licensing</b>	8,700	2,900	2,900

The main source of CAA funding derives from passenger safety charge. It is regulated with reg. No. 2008/7 which leaves two (2) euro charge to each passenger departing from Kosovo on a commercial flight. The funds allocated for CAA to cover operational expenses in accordance with the law. The revenues collected by Limak Kosovo Int'l Airport, transferred 45 days after the end of the month<sup>74</sup>. They deposited in the CAA official bank account which is established by the Treasury Director General. Another CAA funding sources derived from license-issuing services, certificates, and, the conduct of inspections and audits issued<sup>75</sup>.

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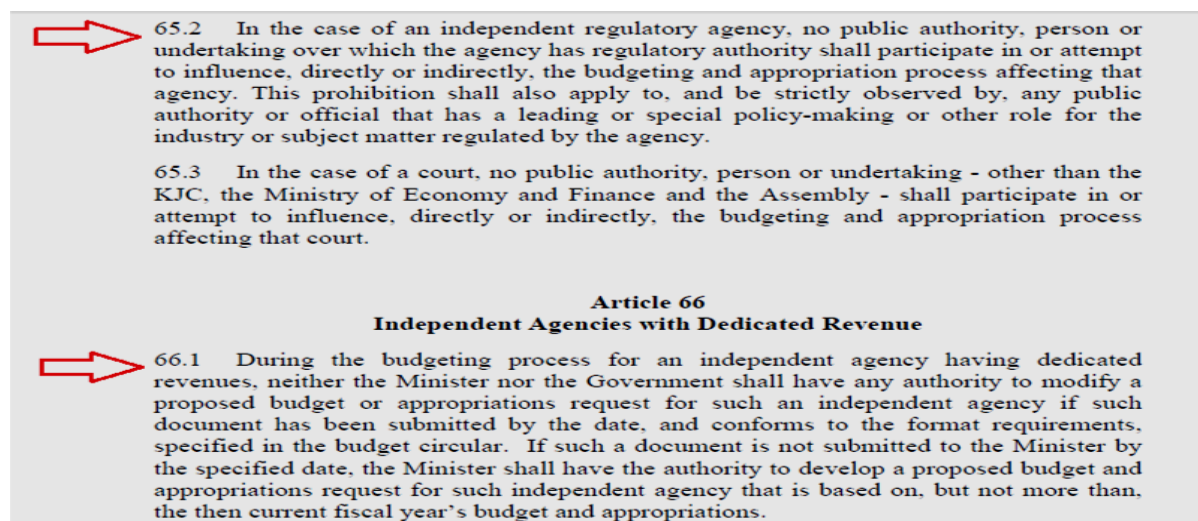
<sup>74</sup> Memorandum between CAA and Airport

<sup>75</sup> CAA regulation 7/2011

## 7.2. CAA budgeting process

According to the law, every year the Director General develops a budget proposal for the next year and appropriations request for the CAA and submits it for the approval to the Supervisory Board. The Supervisory Board is authorized to review, modify if necessary or appropriate, and approve such budget proposal and submit it to the Minister of Economy and Finance. The preparation and submission of the budget proposal shall be made in accordance with the applicable requirements of the Law on Public Financial Management and Accountability (LPFMA) and the provisions of the CAA Business and Finance Plan as approved by the Supervisory Board, taking into consideration the level of the CAA's current and reasonably expected amount of dedicated revenues. As seen from figure below article 66, paragraph 1 of LPFMA related to Independent Agencies with Dedicated Revenues states that: *"...during the budgeting process for an independent agency having dedicated revenues, neither the Minister nor the Government shall have any authority to modify a proposed budget or appropriations request for such an independent agency..."*

**Figure 7.1 Extract by Law on Public Financial Management and Accountability (LPFMA). Article 66 paragraph1 and 2**

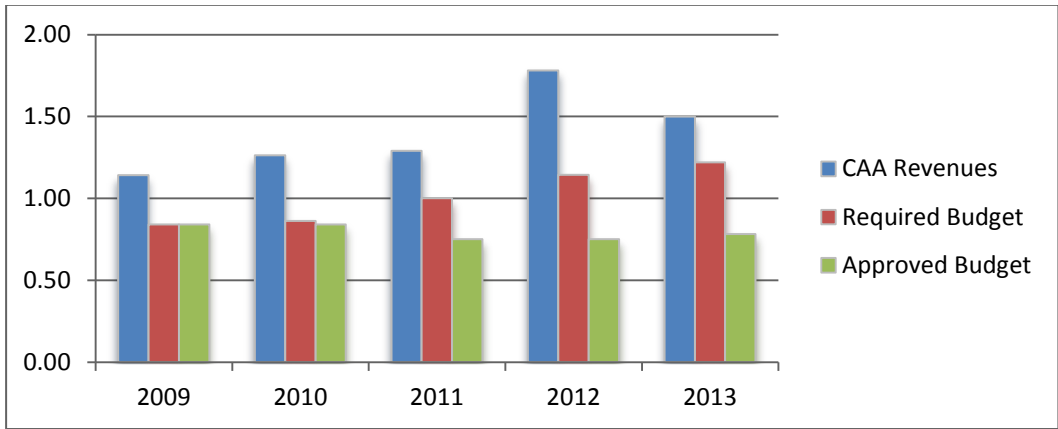


In the case of an independent regulatory agency, the law stipulates that no public authority, person or undertaking over which the agency has regulatory authority shall participate in or attempt to influence, directly or indirectly, the budgeting and appropriation process affecting that agency.<sup>76</sup> Following this provision, on 21 June 2011, CAA has made a budget request for 2012 in accordance with the requirements and budgetary procedures., Supervisory Board of

<sup>76</sup>Law no. 03/I-048 on Public Financial Management and Accountability Article 65 on Budgeting Process for Independent Agencies and the Courts to be Free from Political and Commercial Influence

the CAA, has requested a budget in amount of 1,143,200.00 €. This request was not approved as such, because the Ministry of Finance has issued a Budget Circular no. 03/2012, through which it set budget limits for CAA at the amount of 750,498.00 Euro.

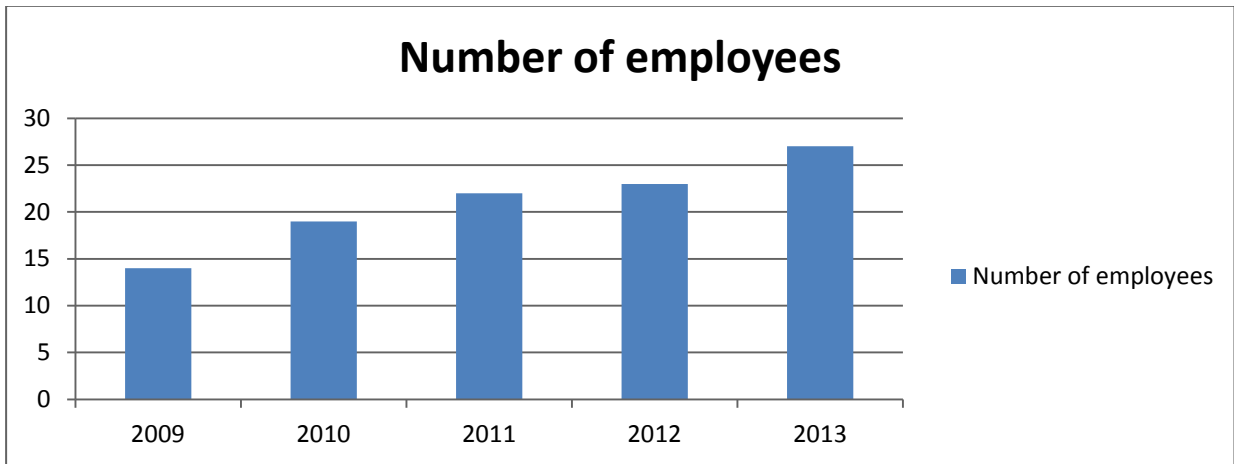
**Figure 7.2 Historical trends of CAA financing (in millions €)**



The figure 7.2 above shows that CAA’s requested budget for 2009, was equal with the approved budget. At that time the request was made under UNMIK authority.

The same amount was approved for the year of 2011. Figure below shows that the total number of CAA employees in 2009 was fourteen (14). Referring to the figure above (7.2) it results that the approved budget of that year was (840.543.00) which was higher than the approved budget of 2013, despite the fact that the number of employees in 2013 climbed up to 27.

**7.3 Number of CAA employees 2009-2013**



In this respect it is not difficult to ascertain that the budget allocation was not based on the results of any needs analysis. When an institution is allowed to increase the number of employees and on other hand the annual budget is cut, it will bring uncertainty to the situation

related to employees planning and development and it will harm other important aspects of meeting institution needs and objectives. Jobs are more than just earnings and benefits which they provide<sup>77</sup>. If the employees were not offered trainings or lifelong learning and career development they might become unreliable or ineffective in their job. Even though, as shown in previous chapters CAA has satisfactory record of skilled and experienced employees, the skills could grow over time, but they could also decline if a possibility for lifelong learning is not well developed. Effective regulation requires that regulators be largely free from political influence or interference through the budget process.<sup>78</sup> According to European standards, the essential condition required by independent agencies is to be financially independent, i.e. Possess on of sufficient funds to perform their functions with full operational autonomy.<sup>79</sup> The CAA should match its responsibility with financial and human resources. The separation of powers is a fundamental principle of well-functioning, credible political & economic and independent institutions.

Agencies must be objective, apolitical, and vested with necessary powers. The financial independence of CAA, thus far enjoyed was recently compromised by the budget law for year 2013. Figure 7.4 shows an extract from this law. Circle no.1 presents a technical mistake, instead of “Civil Aviation Authority” there is “Railways Regulatory Authority” whereas the circle no. 2 presents that the source funds for CAA seem to be “government grants” instead of “own sources” as provided by the law on civil aviation and law on public finances. The reason for such a drastic change or an explanation is not at hand, although it presents a substantial diversion for the dedicated revenues aimed to serve the only purpose of ensuring the functioning of CAA, are not shown in the budget.

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<sup>77</sup> Jobs; A World Bank publication 2012

<sup>78</sup> Reforming infrastructure; A World Bank policy research; page 85

<sup>79</sup> Organization for Security and Co-operation in Europe “OSCE” Independent Agencies and Institutions in Kosovo Democracy December 2007 Executive Summary



**Figure 7.4 Extract from the budget law for year 2013**

Kosovo Budget for year 2013 Table 3.1: Central Budget (in euro)										
Cod Org.	Cod Prog Sub.	Code Funct.	Ministries/ Institutions	Programs	Sub-Programs	Source of Funds	Employ. for year 2013	Wages and Salaries	Goods and Services	Utilities Expenditures
502	0520				Water and Waste Regulatory Office	Government Grants	19	164,450	156,519	7,650
						Own Sources		164,450	156,519	7,650
314	000		Railways Regulatory Office			Government Grants	20	174,633	145,513	14,000
						Own Sources		174,633	145,513	14,000
405				Railways Regulatory Off		Government Grants	20	174,633	145,513	14,000
						Own Sources		174,633	145,513	14,000
455	0453				Railways Regulatory Office	Government Grants	20	174,633	145,513	14,000
						Own Sources		174,633	145,513	14,000
317	000		<del>Railways Regulatory Authority</del> Civil Aviation Authority			Government Grants	27	492,508	274,330	16,043
						Own Sources		492,508	274,330	16,043
420				Railways Regulatory Au		Government Grants	27	492,508	274,330	16,043
						Own Sources		492,508	274,330	16,043
454	0454				Railways Regulatory Authority	Government Grants	27	492,508	274,330	16,043
						Own Sources		492,508	274,330	16,043
318	000		Independent Commission for Mines			Government Grants	78	615,801	473,763	36,000
						Own Sources		615,801	473,763	36,000
425					Independent Commission	Government Grants	78	615,801	473,763	36,000
						Own Sources		615,801	473,763	36,000

Sources: Budget Law 2013

### 7.3 CAA's Accountability

The Director General submits quarterly and annual reports to the Supervisory Board related to a comprehensive work of all administrative, executive, regulatory and licensing activities and decisions of the CAA.<sup>80</sup> The Director General is directly accountable to the Assembly for the CAA's compliance with civil aviation policies, and all applicable legislation and standards in the Republic of Kosovo.<sup>81</sup> A regulator's independence should be reconciled with its accountability. CAA reconciles its independence in the best manner with its accountability. This is proven by independent auditor reports, according to them CAA is the best example on managing of public money. "...expenditures were managed in compliance with applicable laws and regulations. According to them, the budget spending reached the level of 95% during 2011, which presents a good performance..."<sup>82</sup> In overall the report states that " ... CAA director has managed to establish functional processes and internal control over daily operational and administrative activities....also report added that "...CAA has been committed to ensure that administrative objectives are being implemented in an efficient and economic way".

<sup>80</sup> CAA Director General was appointed by the Government of the Republic of Kosovo on 25 September 2008 pursuant to the Decision No. 06/37, following the proposal by the Minister of Transport and Communication

<sup>81</sup> CAA Law; article 26

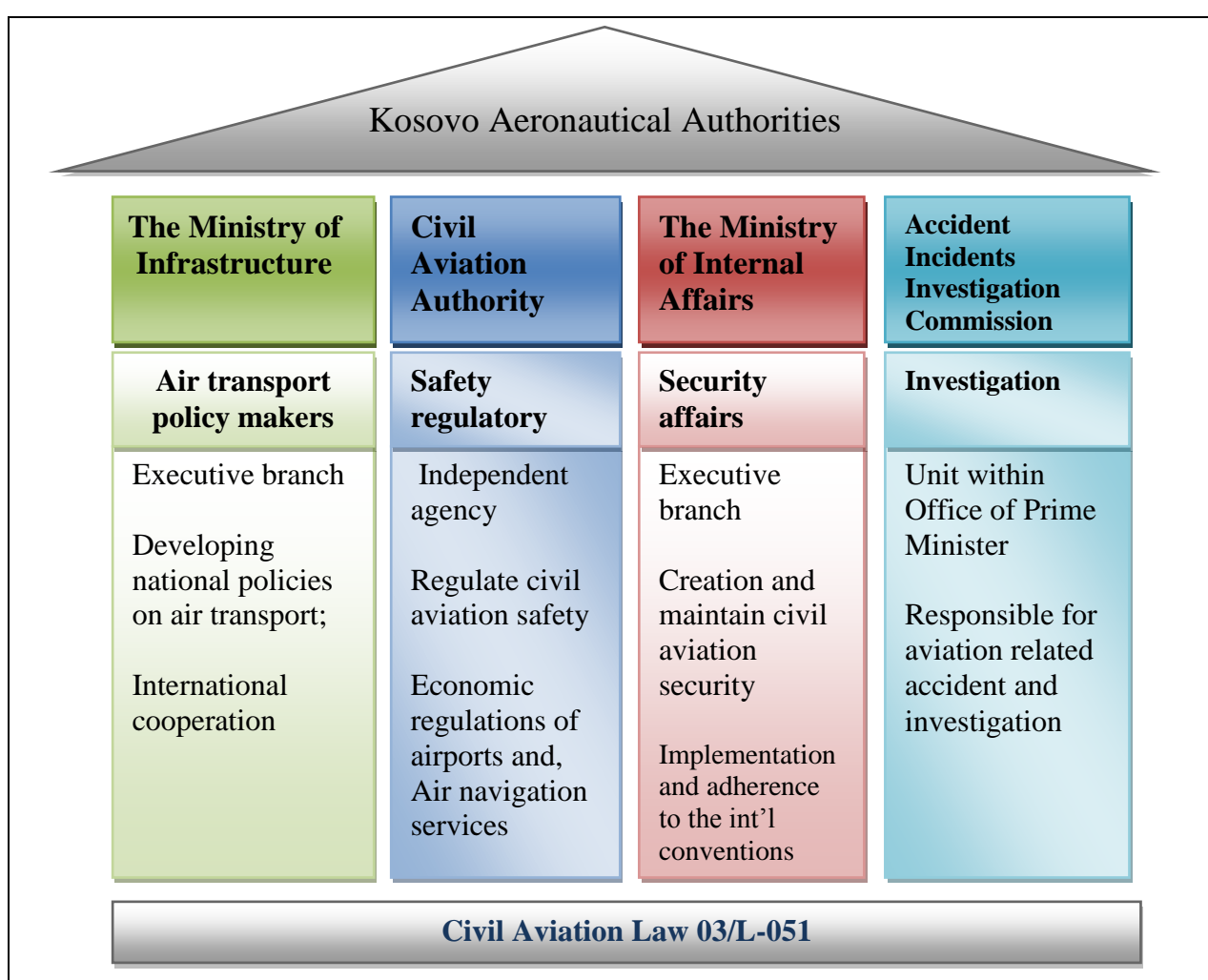
<sup>82</sup> Document No: 24.29.1-2011-08 Audit Report on the Financial Statements of the Civil Aviation Authority of Kosovo for The year ended 31 December 2011 Prishtina, June

## Chapter 8

### FINAL DISCUSSION AND RECOMMENDATIONS

According to Eurocontrol, “*flying is the fastest and one of the safest methods of transport*”<sup>83</sup>. This highly complex and sensitive process needs to be controlled and managed with high skills and professional competence to correspond with internationally accepted standards, procedures and practices. The project survey illustrated the weakness and strengths of the Kosovo Aeronautical Institutions in Republic of Kosovo. Civil Aviation responsibilities are divided into four Authorities.

**Figure 8.1 Kosovo aeronautical Institution**



Although they operate under the same rules and their functional responsibilities are defined clearly in their established legal act, these institutions differ from each other in terms of organizing, human and financial resources and also in their accountability and performance. If

<sup>83</sup> [www.eurocontrol.com](http://www.eurocontrol.com)

we assess the Kosovo civil aviation, we cannot make a clear positive or negative conclusion in terms of HR capacities. The safety civil aviation headed by CAA appears to be the best organization from local and international point of view. And, in other hand, the HR capacities in aviation departments within the ministries result to be their main concern. Regulatory coherence requires that those authorities should be complementary and mutually supportive. Because of lack of human capacities in the (MIA) it has signed memorandum of understanding with CAA until the Ministry to consolidate their human capacities in order to ensure effective and efficient implementation of the functions and responsibilities vested by the law. The following project conclusions will describe separately each one of them:

### **8.1 Conclusions for the Ministry of Infrastructure**

The surveys of this capstone project show that the Ministry doesn't have the required capacities to develop national policies on air transport and carrying out international cooperation in the field of civil aviation sector. The main concern of this ministry is their human resources. It is a result of salary level, staff motivation, lack of policy staff etc. The air transport sector requires technical highly experienced staff. The surveys show that ministry's staff is not well motivated and survey show that the Ministry doesn't offer them any development trainings and programs related to the job because of low budget. The total annual budget in 2012 for the training staff was 2000 Euros. If it divides this amount for 5 officials, (how the number in this department is) it results that there is only 400 euro per employee. Surveys also show that Kosovo doesn't offer the training programs related to aviation matters. And with such amount of money it is not impossible to follow any training in foreign countries.

### **8.2 Conclusions for the Ministry of Internal Affairs (MIA)**

The law on Civil Aviation determined the MIA to safeguard Civil Aviation operations against acts of unlawful interference through regulations; practices and procedures which take into account the safety, regularity and efficiency of flights. The MIA is responsible to keep the level of threat of civil aviation within Republic of Kosovo under constant review. The MIA suffers from lack of filling key aviation related position. Aviation security, which is managed by the Ministry of Internal Affairs, is a concern. The MIA inspectors lost their accreditation in 2010 due to a lack of budget. Personnel qualifications and training is one of the important and essential elements that authorities must to possess in order to implement aviation security

requirements. The MIA is not a competitive employer due to remuneration that is not enough to attract for qualified aviation security personnel.

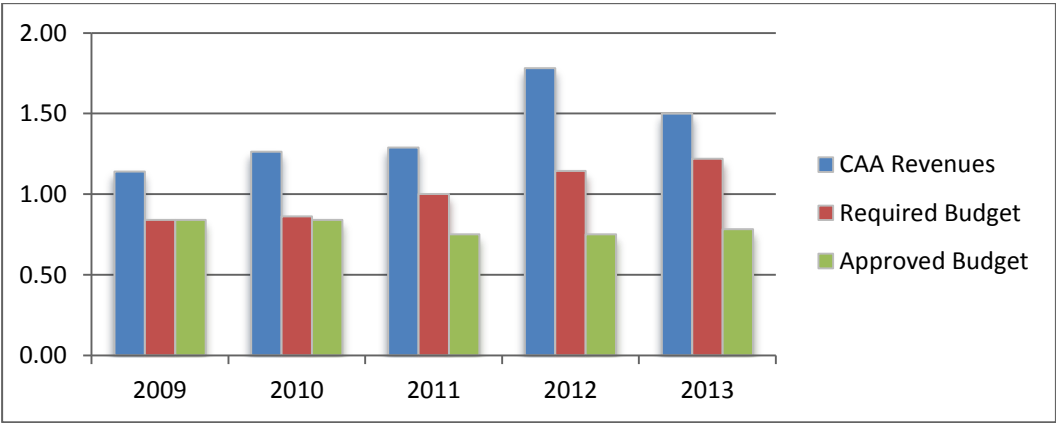
**8.3 Recommendations for MI and MIA**

In order to fulfill its responsibilities, the MI and the MIA should be properly organized and staffed with qualified personnel. The personnel should be trained with appropriate training to such personnel to maintain and enhance their competence (including initial and recurrent training). The MIA should develop and implement a National Aviation Security Training Programme to enable aircrew and ground personnel to implement aviation security requirements and to respond to acts of unlawful interference with aviation. Because of complexity security aviation tasks the MI and the MIA aviation personnel should treated in the same level in terms of salaries with other aviation authorities. Aviation departments within ministries should be employer in choice in order to attract aviation professionals to working for.

**8.4 Conclusions for Civil Aviation Authority (CAA)**

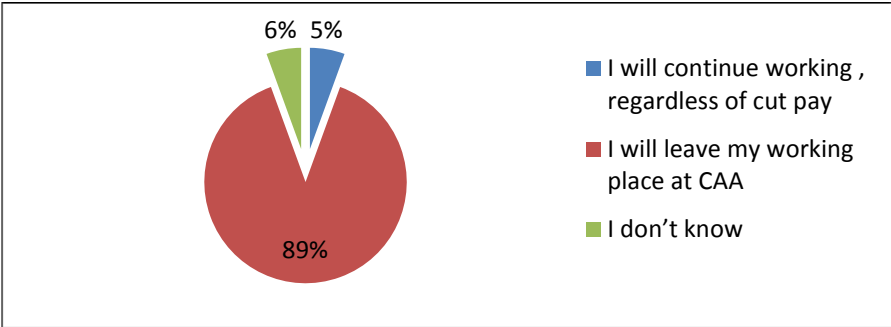
One of the most significant findings to emerge from this study is that the CAA doesn’t have access to its dedicated revenues that is required by law to be appropriated to CAA for a specifically identified purpose. The law about institutions that generate their own revenues states that: “...during the budgeting process, neither the Minister nor the Government shall have any authority to modify a proposed budget or appropriations request for such an independent agency”. In this respect, since 2010, CAA has never taken the required budget although the revenues were much higher than the required amount.

**Figure 8.1 CAA Budget 2009-2013 (in millions €)**



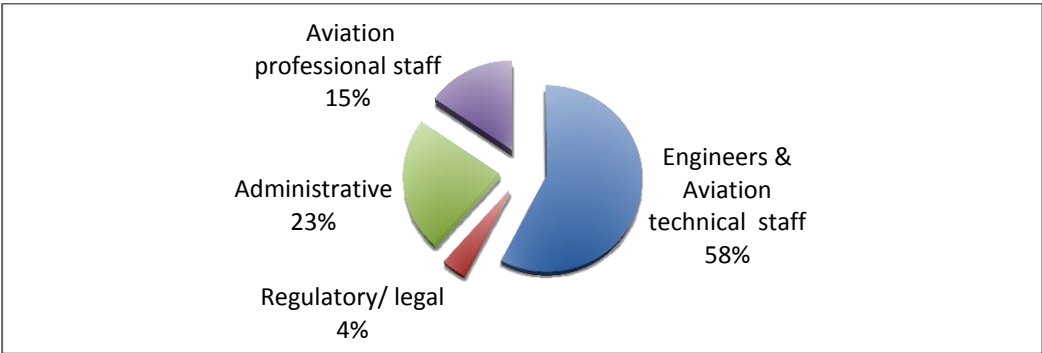
CAA was established by and is accountable to the assembly of Republic of Kosova. It is assess as an example of managing of public money. Project surveys show that CAA is a competitive employer in comparison with other state public institutions and it is not competitive compared with aviation industry (airport staff). This can be seen as a risk, because the airport should be considered as an attractive employer to them and it may result to lose its staff for which it has invested for a long time in their professional building.

**Figure 5.9 If reaction of salaries is going to happen, what your reaction will be?**



The surveys show that CAA staff is well qualified and experienced related to their job. They have gained the academic degrees in foreign countries where aviation programs were provided, and, in order to maintain inspector’s accreditations (credentials) they continue to receive trainings from prestigious aviation institutions. Surveys show that there is a need to fill additional legal/regulatory and other technical related key aviation positions.

**Figure 8.2 The CAA staff profiles**



According to surveys, the CAA doesn’t have human resources long term planning that will serve as guide for long standing policy and employee development. The capstone project surveys show that this is due instability of financial resources. The government is attempting to remove CAA’s its dedicated revenues and to put it on funding by government grants although CAA is not part of executive.

**Figure 7.4 Extract from the budget law for year 2013**

Kosovo Budget for year 2013 Table 3.1: Central Budget (in euro)										
Cod Org.	Cod Prog Sub.	Code Funct.	Ministries/ Institutions	Programs	Sub-Programs	Source of Funds	Employ. for year 2013	Wages and Salaries	Goods and Services	Utilities Expenditures
502	0520				Water and Waste Regulatory Office	Government Grants	18	164,450	156,519	7,650
						Own Sources		164,450	156,519	7,650
314	000		Railways Regulatory Office			Government Grants	20	174,633	145,513	14,000
						Own Sources		174,633	145,513	14,000
405				Railways Regulatory Off		Government Grants	20	174,633	145,513	14,000
						Own Sources		174,633	145,513	14,000
455	0453				Railways Regulatory Office	Government Grants	20	174,633	145,513	14,000
						Own Sources		174,633	145,513	14,000
317	000		<del>Railways Regulatory Authority</del> Civil Aviation Authority			Government Grants	27	492,508	274,330	16,043
						Own Sources		492,508	274,330	16,043
420				Railways Regulatory Aut		Government Grants	27	492,508	274,330	16,043
						Own Sources		492,508	274,330	16,043
454	0454				Railways Regulatory Authority	Government Grants	27	492,508	274,330	16,043
						Own Sources		492,508	274,330	16,043
318	000		Independent Commission for Mines			Government Grants	78	615,801	473,763	36,000
						Own Sources		615,801	473,763	36,000
425				Independent Commission		Government Grants	78	615,801	473,763	36,000
						Own Sources		615,801	473,763	36,000

## 8.5 Recommendations for CAA

The CAA should match its responsibility with financial and human resources. CAA should remain out from Civil Service salary caps, in order to attract and retain well qualified staff. It would be necessary that these dedicated revenues (Passenger safety charges, and certification and licensing charges) be spent for capacity building and filling key related aviation position in civil aviation. The CAA should ensure to keep its professionals and to become a competitive employer. The staff who worked with CAA must have higher basic salaries than in the industry which they regulate. Because of the nature of CAA as a regulatory agency which deals with developing secondary legislation (drafting implementing regulations) in the field of aviation safety it's crucial to strengthen the department for standardization and regulation. Nevertheless, the CAA is considered to be as an example in the region for fulfilling its obligations that derives from ECAA agreement it should strengthen their and the ministry's capacities in order to be capable of accomplishing the wide range of required duties in front of future growing industry and re- opening Kosovo upper air space.

## 8.6 Conclusions for Aeronautical Accidents and Incidents Investigation Commission (AAIIC)

The investigation authorities play an important role in investigation process. Their work is of the utmost importance in determining the causes of an accident or incident. According to the current law the AAIIC is not a separate budget organization. The administrative/ financial positions are held by persons who are working for Office of Prime Minister. According to the surveys it appears as an obstacle that the AAIIC is not in the position to foresee and prepare

their budget in annual or biannual bases, so their administrative and budgetary needs are handled in ad-hoc bases from the Office of the Prime Minister.

### **8.7 Recommendations for AAIC:**

AAIC should be able to conduct investigations entirely independently and also that it should possess the financial and human resources required to conduct effective and efficient investigations. The AAIC should have their own separated budget, where they could foresee their needs for trainings and other investigation related expenditures. It is also important that AAIC have a dedicated administrative and professional staff to support the work of the commission, comprising of at least two persons. Moreover, there should be government provision in place that would allow AAIC to have easily access to funds, in cases of major accidents, where investigation needs could be much higher than those normal ones during the course of the normal business work.

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## **Appendix 1**

### **The CAA Professional Staff Employees Questionnaire**

#### **SECTION A- Background**

##### **A1. What is your job position?**

- a) Director
- b) Manager
- c) Officer
- d) Assistant

##### **A2. Select department that you are working in**

- a) Flight Safety Department
- b) Aerodrome Department
- c) Air Navigation Services Department
- d) Legal Office
- e) International Cooperation and Economic Regulation
- f) Auditing and Quality Control Office

##### **A3. How long are you working for the CAA?**

- a) 1-2 yrs
- b) 2-4 yrs
- c) 4-6 yrs
- d) More than 6 yrs

##### **A4. What is your qualification?**

- a) Graduate
- b) Master
- c) PhD
- d) Other

If your answer is under (d), please specify:

---

##### **A5. Where did you gain your academic degree?**

- a) Within Kosova
- b) Outside of Kosova

##### **A6. If your answer is under B, why did you decided to study abroad instead of Kosovo?**

- a) Because of lack of programs related to aviation or similar
- b) Because I have considered that studies abroad are more qualitative credible

- c) I didn't have any specific reason, it was my choice

## **SECTION B – Technical Professional requirements**

### **B1. What were the requirements to become an inspector?**

- a) Job well performed
  - b) My professional background
  - c) Completion of required trainings
  - d) All above mentioned
  - e) Other
- 

### **B2. What was the duration to obtain inspector credentials?**

- a) 0-6 months
- b) 6-12 months
- c) 12-24 months
- d) More than 24 months

### **B3. Does our country offer the adequate trainings for maintaining inspector's credentials?**

- a) Yes
- b) No
- c) I don't know

### **B4. How high do you rank job satisfaction?**

- a) Very highly
- b) Highly
- c) Above average
- d) Reasonable
- e) Below average
- f) Dissatisfied

## **SECTION C- Conditions & Services**

### **C1. How do you rate the best things in your working place? Please give a score of 1 < 5**

Working conditions	Colleagues	Salary	Trainings	Management

**C2. Do you consider that your current salary is competitive with the regulated aviation industry?**

- a) Yes
- b) No
- c) I don't know

Comment:

---

---

**C3. Are you informed about government policies regarding the leveling of salaries in public administration?**

- a) Yes
- b) No
- c) Somewhat

**C4. If the reduction of salaries is going to happen, what your reaction will be?**

- a) I will continue working ,regardless of cut-pay
- b) I will leave my working place at CAA
- c) I don't know

Coment: \_\_\_\_\_

---

**C5. If the answer under b it's your choice. Which of the following  
Is the most entitled salary reduction number?**

- a) 0-5 %
- b) 10-20%
- c) 20-30%
- d) 30-50%
- e) > 50 %

**C6. What percentage of salary increase might be necessary for your salary to be competitive with those at airport?**

- a) 10 %
- b) 10-30%
- c) 30-50%
- d) 50-100%
- e) More than 100%

**C7. How much more salary do colleagues in your position receive in neighboring countries?**

	5 - 10 %	10 - 30 %	30 - 50 %	50 - 100 %	> 100%
Albania					
Montenegro					
Croatia					
Serbia					
Macedonia					
BiH					

**SECTION D – Professional Development**

**D1.** Do you consider that CAA is offering appropriate plans for professional development in coming years.

- a) Strongly agree
- b) Agree
- c) Disagree
- d) Strongly disagree

**D2.** How often do the tasks assigned to you by your supervisor help you grow professionally?

- a) Extremely often
- b) Very often
- c) Slightly often
- d) Not at all often

**D3.** Who identifies / assess employee training needs?

- a) Employee
- b) Employee's manager
- c) HR manager/officer
- d) Not mutually exclusive
- e) Other

**D4.** What do you recommend to improve training in the future?

- a) Training needs to identified through personal analyses
- b) Training needs to identified through organizational analyses
- c) Training needs to identified through task analyses
- d) Other

Please

specify: \_\_\_\_\_

## Appendix 2

### MANAGEMENT QUESTIONNAIRE

#### SECTION A- Current Civil Aviation Capacities

**A1. Select the institution that you are working with:**

- a) Ministry of Infrastructure
- b) Civil Aviation Authority
- c) Ministry of Internal Affairs
- d) Aeronautical Accidents and incidents Investigation Commission

**A2. Do you think that Kosovo Civil Aviation Authorities/your department have enough capacities to manage with all its duties that are responsible by the law?**

Yes

No

Coment: \_\_\_\_\_  
\_\_\_\_\_

#### SECTION B - Strategic HR planning

**B1. Does your institution/department have strategic Human Resources planning, based on the institution needs?**

- a) Yes
- b) No

**B2.If the answer above is a) is it long term or short term strategic plan?**

- a) Long term
- b) Short term

**B4. If the answer in question B1. is b) why the institution doesn't possess a strategic HR Planning?**

- a) Because of lack of human capacities to deal with it?
- b) Because of lack of financial resources to plan in long term way
- c) It is not important to have any strategic HR plan

#### Section C- Civil Aviation Professionals

**C1. Do you think that Kosovo offers enough civil aviation professionals?**

- a) Yes
- b) No
- c) Comment: \_\_\_\_\_  
\_\_\_\_\_

**C2. If the answer above is “No” why do you think, these professionals are deficit in our labor market?**

Because Kosovo doesn't have academic studies or educational programs related to aviation  
Because these professions are not attractive to the students

Coment: \_\_\_\_\_

**C3. Do you agree that Civil Aviation Authorities have enough well-motivated and competent HR to do their job?**

Strongly agree   1   strongly disagree 10      1 2 3 4 5 6 7 8 9 10

**C4. Managers are held accountable for developing employees?**

Strongly agree   1   strongly disagree 10      1 2 3 4 5 6 7 8 9 10

#### **SECTION D- Competitive Employer**

**D1. Do you think that CAA and other institutions such as MIA,MI and AAIC is competitive employer to attract and retain qualified professionals?**

- a)      Yes
- b)      No
- c)      Coment: \_\_\_\_\_

**D2. Do you consider that institution that you are working with is a more competitive employer than other institutions related to civil aviation matters?**

- a)      No
- b)      Yes

**D3. If the answer above is yes, what makes it “competitive?”**

- a)      Work conditions
- b)      Training programs
- c)      Career development
- d)      Salary and other benefits
- e)      All above
- f)      Other

**D4. If your institution is not a competitive employer, it is due to:**

- a)      Low salaries and benefits
- b)      Lack of training opportunities

- c) Lack of career development programs/planning
- d) Bad work conditions
- e) All above mentioned
- f) Other

## **SECTION E - Institutional development**

**E1. If the answer above is “Yes” Does the CA authorities have long-standing policies and regulations regarding to retain professional, qualified and experience employees?**

- a) Yes
- b) No

**E2. How important is to establish long-term standing policies for CAA’s employment?**

- a) It is

10 - Very important    1 - Not important at all)                      1 2 3 4 5 6 7 8 9 10

**E3. Which of the following profiles/position are most needed to fill structure of CAA?**

- a) Administrative positions
- b) Regulatory/legal positions
- c) Technical position

## **SECTION F - Training needs**

**F1. Who identifies the specific training needs of employee?**

- a) Employee,
- b) Employee’s manger,
- c) Director of employee’s supervisor
- d) Human resources manager
- e) Human resources manager accountable for training
- f) Other

**F2. How training needs are identified?**

- a) Performance to job,
- b) Performance reviews,
- c) Needs assessment
- d) Individual employee development objectives,
- e) other

**F3. Training needs assessment involves organizational, person and task analyses. Which one of these do you believe is most and which is least important for CAA?**



10 must important 1 least important at all)

- a) Person analyses 1 2 3 4 5 6 7 8 9 10
- b) Task analyses 1 2 3 4 5 6 7 8 9 10
- c) Organizational analyses 1 2 3 4 5 6 7 8 9 10

**F4. Does your department apply “Return on Investment” (ROI) calculations to assess training outcomes?**

- a) Yes
- b) No

**F5. Do you think is it important to calculate “ROI” through cost benefit analysis for expensive and new programs training?**

Strongly agree 1 strongly disagree 10 1 2 3 4 5 6 7 8 9 10