



USAID | KOSOVO

Republika e Kosovës - Republika Kosovo
Komuna e Gjakovës - Opština Djakovica
Drejtoria për Punë të Përgjithshme Administrative
Uprava za Opšte, Administrativne Poslove

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Gjakovë-Djakovica-Gjakova

POPULLI AMERIKAN
AMERIČKOG NARODA



Komuna e Gjakovës
Opština Djakovica
Municipality of Gjakova

MEMORANDUM OF UNDERSTANDING

BETWEEN

DAI GLOBAL, LLC

AND

THE MUNICIPALITY OF GJAKOVË/DJAKOVICA

REGARDING THE
KOSOVO MUNICIPAL INTEGRITY (KMI) activity

This Memorandum of Understanding (hereinafter referred to as the "MOU") is entered into this 27th Day of July, 2022 (hereinafter, the "Effective Date"), by and between DAI Global, LLC. (hereinafter referred to as the "DAI"), and the Municipality of Gjakovë/Djakovica (hereinafter referred to as "Municipality"), collectively, referred to as the "Participants" and each singularly as the "Participant."

WHEREAS, it is the goal of DAI to collaborate with the Municipality in order to develop and roll out a model for ethics, integrity and accountable municipality, to engage the central level to address municipal corruption in the procurement, contract management, audit and PFM processes, and to enable civil society to track and expose corruption at the municipal level;

WHEREAS, it is the objective of DAI to collaborate with Municipality to increase integrity and accountability of the Municipality in the area of procurement process, financial management, internal auditing and contract management; and

WHEREAS, it is the objective of the Municipality to collaborate with DAI to improve integrity and accountability of the municipal procurement process, financial management, internal auditing and contract management; and

NOW, THEREFORE, the Participants intend to jointly collaborate on the following activities:

1. PURPOSE

The purpose of this MOU is to formalize a collaboration between DAI, the contractor implementing the USAID-funded Kosovo Municipal Integrity Activity (hereinafter referred to as "KMI activity"), and the Municipality. By closely coordinating the efforts of DAI and Municipality under this MOU, both organizations intend to leverage their respective resources to achieve impacts that could not be achieved individually. DAI and Municipality are committed to the principles of good governance: rule of law, transparency, accountability, efficiency, effectiveness, responsiveness, inclusion, and citizen participation. Accordingly, the Participants have signed this MOU to set forth their proposed actions with respect to their support of this purpose.

2. BACKGROUND

DAI is the contractor implementing the USAID-funded KMI activity which is a five-year project designed to support the Government of Kosovo (GoK) in implementing anti-corruption reforms. DAI, through the KMI activity, plans to address long-standing challenges related to corruption and poor-quality service delivery by the Government of Kosovo by enhancing public financial management (PFM), with a focus on municipal procurement, and by reinforcing accountability mechanisms both within government and outside of government through civil society, the private sector, and media, by improving the integrity and accountability of the municipal procurement process in all 38 municipalities of Kosovo, and providing comprehensive assistance to eight focus municipalities. DAI plans to achieve the objectives of the KMI activity through day-to-day mentoring, training, and coaching and

thereby institute systems that intend to improve the accountability of public funds and expenditures.

3. AREAS OF PLANNED TECHNICAL ASSISTANCE

The KMI Activity intends to address the needs of the Municipality following an assessment based on the Needs Gap Analysis that was facilitated by DAI. The specific assistance to be provided by DAI in its implementation of the KMI activity will be specified in the Municipal Work Plan, which will be agreed upon by the Mayor and the Municipal Assembly Chairperson of Gjakovë/Djakovica and DAI. The Municipal Work Plan is broadly described in Section 4 of this MOU.

4. DAI's PLANNED ROLE

DAI intends to provide the following support to the Municipality:

- **Customized technical assistance** provided through on-the-job coaching and training regarding the procurement cycle, including project planning, project design and documentation, planning solicitations, tendering, evaluating bids, contract award, accounting and auditing, contract management, e-information, e-sourcing, e-tendering, and all other areas of the procurement cycle, and thereby putting anti-corruption safeguard mechanisms in place throughout the process.
- **Establish mechanisms** to enhance accountability in public finance management and the procurement process; strengthening municipal internal control mechanisms that ensure oversight, monitoring and sanctioning malfeasance and non-compliance.
- **Capacity-building** to increase municipal integrity, strengthen municipal procurement offices to build monitoring, evaluation, and reporting capacities of municipalities on procurement, increase capacities on codes of ethics and special anti-corruption measures for procurement officers, and/or other priority needs identified in municipal capacity development plans.
- **Training** based on the Needs Gap Analysis will include trainings/workshops for the use of MEAT (Most Economically Advantageous Tender) criteria, using contract management and contract performance evaluation modules, change management training for mayors and procurement heads, public outreach, communications, and media engagement, civil society engagement, ethics, government integrity, accountability, fraud detection and other priorities identified in municipal capacity development plans.
- **Increase support, coordination, and collaboration** with the central level entities (such as the Public Procurement Regulatory Commission, Procurement Review Body, Ministry of Finance, Anti-Corruption Agency, National Audit Office, Central Harmonization Department, etc.) that are relevant to supporting, monitoring, and providing oversight to the municipalities in the areas of procurement, including contract management, financial management and auditing.

- **Increase capacities of national and local level civil society organizations** to monitor municipalities, in areas such as procurement by using and analyzing publicly available information to create scorecards, highlight corruption, and generally, shed more light on municipal governance in the procurement processes.
- **Limited number of small grants** for small, high impact, municipal level activities that promote integrity and accountability. These activities will require a municipal contribution of at least 20% of the total value of grant.

5. MUNICIPAL ACTIONS

Municipality intends to:

- **Facilitate access** of the DAI staff to municipal directorates and units, municipal assembly committees, and ensure staff participates in and supports activities of the KMI project. This includes access to all internal municipal documents as needed.
- **Participate in training programs, capacity-development, and technical assistance activities** organized by USAID implementing partner DAI and disseminate best municipal practices and lessons learned among its focus and non-focus municipalities.
- **Encourage timely collaboration of municipal officials** in completing required activities, ensuring access to all the data and information required.
- **Develop and implement municipal work plans** together with DAI targeting municipal needs and requirements for achieving measurable success.
- **Municipal contribution** of at least 20% for implementation of joint municipal level activities that promote integrity and accountability.
- **Provide an enabling environment for DAI staff** by assigning dedicated space in the Municipality for the project's Municipal Advisors.

6. COORDINATION AND CONSULTATION

The Participants plan to provide each other with the information needed to facilitate assistance and to evaluate the effectiveness of the assistance. The Participants plan to also request to meet periodically to review assistance and share relevant information. The Participants plan to resolve any issues concerning the interpretation, administration, or implementation of this MOU by consultation between the Participants.

7. NOTICES

The Participants intend that all notices or communications under this MOU be in writing by email or facsimile and addressed as follows.

The respective organizational cognizant points of contact are:

For DAI:

Agim Salihu
Objectives 2 and 3 Lead
Str. 24 Maji, No.7, Arbëri, Pristina
agim.salihu@dai.com

For Municipality:

Faton Gutaj
Procurement Manager
Str. Mother Tereza, n/n, Gjakova
fatton.gutaj@rks-gov.net

Each Participant may change its cognizant point of contact by written notice to the other.

8. GUIDING PRINCIPLES

- A. Effect of MOU.** The Participants recognize that this MOU is not a treaty and does not give rise to rights or obligations under international law, and that this MOU is not an obligation of funds and is not intended to constitute a legally binding commitment by any Participant or create any rights in any third party. The cooperation among the Participants as outlined in this MOU is not intended to create a partnership or other type of legal entity or personality. Each Participant intends to accept full and sole responsibility for any and all expenses incurred by itself related to this MOU. The Participants intend to maintain their own separate and unique missions and mandates and their own accountabilities. This MOU reflects the entire understanding and agreement of the Participants with respect to the subject matter and supersedes any prior or contemporaneous written or oral agreements thereon. Nothing in this MOU is intended to create an exclusive working relationship.
- B. Publicity.** The Participants understand that each Participant may make the existence and content of this MOU publicly available, including by press release, public commentary, or other means of disclosure, in accordance with its own policies and procedures. It is anticipated that DAI will ensure compliance with any branding and marking requirements per the terms of its contract with USAID, including use of the Municipal logo where appropriate to attribute the efforts of the Municipality.
- C. Modification.** This MOU may be modified in writing by the Participants. Each Participant may withdraw from this MOU by giving the other Participant thirty (30) days written notice.
- D. Duration.** This MOU begins on the date of signature by the Participants and continues until March 20, 2027.
This MOU may be extended in writing signed by both Participants for any period of time.
- E. Representatives.** The Participants intend that each Participant be represented by those holding or acting in the offices held by the signatories to this MOU. The Participants intend that each Participant may, by written notice to the other, identify additional representatives authorized to represent that Participant for all purposes other than modifications to this MOU. The Participants intend that each Participant is to notify the other in writing of changes in the authorized representatives.
- F. Language.** This Memorandum of Understanding was written in English (the prevailing language) and translated into Albanian and Serbian.
- G. Governing Law and Dispute Resolution.** This Agreement shall be governed, interpreted, and enforced in accordance with the laws of the State of Maryland, without regard to its conflict of laws rules. Both Parties agree that, should any disputes arise under this Agreement, they will

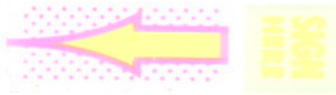
first endeavor to resolve such disputes amicably through negotiation. If negotiations do not prove effective in resolving any conflict between the Parties, such dispute shall be resolved through binding arbitration in Maryland.

The Participants, each acting through its duly authorized representative, have caused this MOU to be signed in their names and delivered as of **July 27, 2022**.

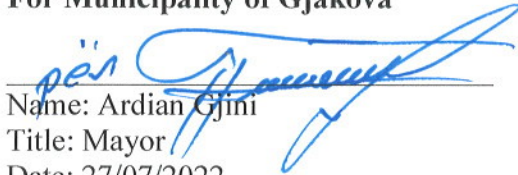
For DAI GLOBAL, LLC



Name: Stephen Carpenter
Title: Vice President, Governance
Date: 27/07/2022



For Municipality of Gjakova



Name: Ardian Gjini
Title: Mayor
Date: 27/07/2022

