



FONDI KOSOVAR PËR GARANCI KREDITORE  
KOSOVSKI FOND ZA KREDITNO JEMSTVO  
KOSOVO CREDIT GUARANTEE FUND

## Kosovo Credit Guarantee Fund

---

# Managing the Internal Control System of the Guarantee Scheme

June 7, 2024, Warsaw

Vilson Ukaj, KCGF



- Managing the Internal Control System of the Kosovo Credit Guarantee Fund
- Control mechanism toward Partner Financial Institutions



01 – Banking Sector

02 – MFI Sector

## Managing the Internal Control System of the Kosovo Credit Guarantee Fund





## Managing the Internal Control System of the Kosovo Credit Guarantee Fund

- For the Kosovo Credit Guarantee Fund is a public institution established by a specific law, an effective internal control system is not just a regulatory requirement but a strategic imperative that installs confidence in donors, partners, borrowers, and the broader community
- Clear distinction of roles and responsibilities among its governing bodies, such as the Board of Directors and the Managing Director
- Segregation of duties is also very well structured within the management staff of the institution
- Policies and procedures are in place to ensure that management directives are carried out effectively. These include approvals, authorizations, verifications, reconciliations, and reviews of operating performance, all essential for addressing risks.

02 – MFI Sector



)

- There is dedicated person (specialist) responsible for internal control.
- Within the scope of internal control, regular internal audits are performed.
- KCGF's commitment to enhancing internal controls is evident in its efforts to leverage technology for automating and digitizing processes.
- Provide ongoing training for employees on internal controls, risk management, and compliance to ensure they are knowledgeable and up-to-date with best practices.



# COOPERATION WITH CENTRAL BANK OF THE REPUBLIC OF KOSOVO

---



## COOPERATION BETWEEN CBK and KCGF

- Regularly (monthly and quarterly) exchanging information with the Central Bank of the Republic of Kosovo, particularly concerning the data and information on loans reported to the Central Bank Credit Registry and KCGF, is crucial for verifying the accuracy of the characterization of loans reported under guarantee



FONDI KOSOVAR PËR GARANCI KREDITORE  
KOSOVSKI FOND ZA KREDITNO JEMSTVO  
KOSOVO CREDIT GUARANTEE FUND

# COOPERATION WITH INTERNATIONAL FINANCIAL ORGANIZATIONS

---

---



# KCGF & International Partner





## BENEFICIAL OF COOPERATION WITH INTERNATIONAL PARTNERS

- Incorporating covenants related to anti-money laundering (AML) measures and standards.
- Harmonizing environmental and social standards.
- Implementing other good practices in procurement procedures, personal data protection (GDPR), building new software for evaluation of the loans for guarantee (agrosoft, e-save), reporting processes, and other internal process improvement.



## Control System Toward Partner Financial Institution



## Control Mechanism toward Partner Financial Institutions



FONDI KOSOVAR PËR GARANCI KREDITORE  
KOSOVSKI FOND ZA KREDITNO JEMSTVO  
KOSOVO CREDIT GUARANTEE FUND

- » Regularly monitor the performance of partner financial institutions, particularly the guaranteed portfolio, through quarterly reports.
- » Flagging institutions that exhibit signs of instability for further scrutiny and providing recommendations to mitigate associated risks
- » Conduct Annual Review: Simplified review & Detailed Assessment

## CONCLUSION

- ❑ The internal control system of the Kosovo Credit Guarantee Fund is essential for safeguarding its operations maintaining trust with stakeholders, and achieving its overarching mission of fostering economic development through support to MSMEs.
- ❑ By continuously refining its control mechanisms, embracing technology, and fostering collaboration, KCGF remains committed to upholding the highest standards of governance and accountability.



FONDI KOSOVAR PËR GARANCI KREDITORE  
KOSOVSKI FOND ZA KREDITNO JEMSTVO  
KOSOVO CREDIT GUARANTEE FUND

# Thank You for Your Attention!

[www.fondikgk.org](http://www.fondikgk.org)

