



FACULTY OF ECONOMICS - MASTER STUDIES
DEPARTEMENT: MARKETING AND BUSINESS MANAGEMENT

MASTER THESIS

THEME:

**APPLICATION OF GENERAL PRINCIPLES IN KOSOVO FOR THE
WORLD BANK CREDIT REPORTING**

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ABSTRACT

This topic deals with the Credit Reporting and importance that it poses for institutions of financial system and positive effects on micro and macroeconomic level. Kosovo's credit reporting began in 2000; it was taken over by the Central Bank of Kosovo on the establishment of the Credit Registry of Kosovo in 2005 and the further advancements to date.

On the other hand, the World Bank published in 2011 the General Principles for Credit Reporting which represent essential elements for the efficient functioning of credit reporting. In this publication 5 basic principles are given for credit reporting: data, data processing, efficient governance, legal and regulatory environment and cross-border flow of data.

The subject analyzes the application of General Principles for Credit Reporting by responsible institutions in Kosovo and considers that recent developments in the Credit Registry of Kosovo have brought credit reporting in the high level of efficiency, utility to borrowers and lending institutions and has also helped Kosovo to be high ranking in the Doing Business Report.

Keywords: Credit Reporting, Credits, Financial Institutions, Central Bank, Banking Supervision, Credit Registry System.

CONCLUSIONS

From what was stated above and analyzing the implementation of these requirements by Credit Registry of Kosovo it can be concluded that these principles are applied even largely in line with best international practices.

Credit Registry of Kosovo has helped financial stability. At the same time through characteristics has achieved the 28th position in the Doing Business Report of the World Bank for the relevant indicator. This has led Kosovo generally to be ranked better this year and be one of the most positively reformed countries. This progress has improved the image of the country for reforms in these areas as one of 5 best reformed countries.

Obviously with social, economic and technological development new challenges come, which are recommended to be addressed in the future:

- Challenge remains not very high, coverage of 22.8% of the population. Higher coverage offers support for financial institutions and increases access to financing.
- The involvement of other public data (official tax debts to businesses, individuals, property tax)
- Credit Registry of Kosovo, namely the Central Bank can pilot with other data to broaden the base of the collection of information (for example the courts, the providers of mobile telephone services, telecom, public services of electricity, heating etc.)
- Credit Registry of Kosovo to examine the possibility to implement Credit Scoring in the future, especially considering that it comes even as demand from Doing Business Report. Another reason is that it would help marginalized financial institutions, given the misbalance between them in Kosovo.