Republika e Kosovës
Republika Kosova – Republic of Kosovo
ORGANI SHQYRTUES I PROKURIMIT
TELO ZA RAZMATRANJE NABAVKE
PROCUREMENT REVIEW BODY

Psh. No.640/26

The Review Panel, appointed by the Acting President of the Procurement Review Body (PRB) pursuant to Articles 105, 106, and 117 of the Law on Public Procurement of the Republic of Kosova (LPP)—composed of Batisha Ibrahimi (President), Isa Hasani, and Vedat Poterqoi (Members of the Review Panel)- deciding on the complaint filed by the Economic Operator (EO) "SKYFTERAT - LIVE" SH.P.K. against the decision to cancel the procurement procedure initiated by the MUNICIPAL ASSEMBLY OF PRIZREN, acting as the Contracting Authority (CA), regarding the procurement activity "Physical Security of KPSH Facilities" (procurement number 622-26-4204-2-1-1), on the 20/10/2026 has issued this:

DECISION

1. Approved, as partly grounded the complaint of the EO “SKYFTERAT - LIVE SH.P.K., under [reference] no. 2026/0640, dated 25/08/2026, regarding the procurement activity for the physical security of KPSH facilities, with procurement number 622-26-4204-2-1-1.

2. Remains in force, B10 Notice of Cancellation of Procurement Activity – Contracting Authority: MUNICIPAL ASSEMBLY OF PRIZREN; procurement activity: Physical Security of Municipal Facilities; procurement number: 622-26-4204-2-1-1.

3. The funds deposited as a fee for filing the complaint shall be returned to the account of the Economic Operator SKYFTERAT - LIVE SH.P.K.

REASONING

-Procedural facts and circumstances –

On June 3, 2026, SKYFTERAT - LIVE SH.P.K., acting in the capacity of the Contracting Authority, submitted a Contract Notice for the activity "Physical Security of KPSH Facilities," under procurement number 622-26-4204-2-1-1.

The Contracting Authority employed an open procedure for a service contract, with an estimated contract value of 680,000.00. €.

On August 14, 2026, the Municipal Assembly of Prizren, acting in its capacity as the Contracting Authority, published a Notice of Cancellation (B10).

On August 19, 2026, the complaining Economic Operator (EO) submitted a request for reconsideration, to which it received no response.

On August 25, 2026, the Economic Operator "SKYFTERAT - LIVE" SH.P.K. filed a complaint with the Procurement Review Body (PRB)—registered under protocol number 2026/0640—challenging the aforementioned decision by the Contracting Authority to cancel the procurement.

-On the preliminary review phase –

The Procurement Review Body has found that the complaint contains all the elements specified in Article 111 of the LPP and as such has been submitted within the legal deadline in accordance with Article 109 paragraph 1 of the LPP after the preliminary procedure for dispute resolution in the sense of Article 108/A of the LPP, by the economic operator that is an interested party according to Article 4 paragraph 1 subparagraph 26 of the LPP. In this way, the Procurement Review Body has found that it is competent to review this complaint according to Article 105 of the LPP and there is no procedural obstacle to continue with the review of the complaint on its merits.

The claims of the complaining economic operator, SKYFTERAT - LIVE SH.P.K, are presented as follows:

Pursuant to Article 109 of Law No. 04/L-042 on Public Procurement in the Republic of Kosovo, as amended and supplemented, SKYFTERAT-LIVE SH.P.K., in its capacity as an interested party—in accordance with Article 4.1.26 of the Public Procurement Law (PPL)—hereby submits this Complaint, challenging in its entirety the Contracting Authority’s decision to cancel procurement activity No. 622-26-4204-2-1-1.

COMPLAINT

CHRONOLOGY:

We challenge the cancellation of the procurement activity in its entirety, as we contend that the justification provided for the cancellation has not been demonstrated in compliance with the requirements of public procurement legislation, and that it fails to meet the legal conditions for terminating the procedure prior to the opening of bids.

On August 17, 2026, Form B10—the notice regarding the cancellation of a procurement activity—was published by the Contracting Authority (the Municipal Assembly of Prizren). In publishing this notice, the Contracting Authority acted in violation of the legal provisions of the Law on Public Procurement (LPP) and Regulation No. 001/2022, by bypassing other required procedures prior to the publication of this B10 Notice.

According to Article 21.4, point (f), of Regulation No. 001/2022: The Contracting Authority must publish a "Notice of the Contracting Authority's Decision" (Form B58) even in cases where the decision concerns the cancellation of a procurement activity in its entirety, or the cancellation of one or more lots within a procurement activity.

Furthermore, Article 43.1 of Regulation No. 001/2022 states: In the event of a decision to cancel a procurement procedure, the Contracting Authority shall immediately prepare and publish Form B58, "Notice of the Contracting Authority's Decision," which must set out the factual reasons and the legal basis for such a cancellation.

Additionally, Article 43.2 of Regulation No. ... 001/2022 states: Following the expiration of the deadline for the submission and review of complaints, a Notice of Cancellation for the procurement activity shall be prepared and published; such notice shall be published on the electronic procurement platform.

Thus, on the e-Procurement platform—specifically regarding the procurement activity titled "Physical Security of KPSH Facilities" (procurement no. 622-26-4204-2-1-1)—it is clearly evident that no notice regarding the Contracting Authority's (CA) decision has been published.

Evidence:

Screenshot taken from the procurement activity on the e-Procurement platform.

Given that the Contracting Authority acted in violation of legal provisions,

we have acted in accordance with the rules and legal provisions governing Public Procurement.

Our company acted in compliance with Article 60.1, point (c), of Regulation No. 001/2022, which states:

Whenever a request for reconsideration concerns the Contracting Authority's (CA) decision to cancel a procurement procedure, it must be submitted within a period of five (5) days from the date of publication of the notice regarding the CA's decision (B58) to cancel the procurement procedure within the electronic procurement system. In calculating time limits, the day on which the Notice regarding the CA's decision is published counts as day zero (0).

Since we did not receive a Notice regarding the CA's decision (B58)—but rather a direct cancellation without following the prescribed procedures—and instead only received Notice B10 regarding the cancellation of the procurement activity (published on 17.08.2026), our company submitted a request for reconsideration to the Contracting Authority (the Municipal Assembly of Prizren) on 19.08.2026, via the e-Procurement platform. Following our submission of a request for reconsideration, the Contracting Authority once again failed to comply with legal provisions.

Article 61.1 of Regulation No. 001/2022 states: The submission of a request for reconsideration automatically suspends the procurement procedure; in such a case, the Contracting Authority—specifically the Responsible Procurement Officer—must notify all parties in writing regarding the suspension of the procurement procedure in question.

Since the procurement procedure was not suspended—despite our submission of a request for reconsideration—we expected the Contracting Authority to issue a decision regarding our request, whether by approving or rejecting it.

According to Article 63.2 of Regulation No. 001/2022: A decision to reject or approve is binding and must be published by the Responsible Procurement Officer in the electronic procurement system as an "Additional Document" within the tender file.

In cases where the Responsible Procurement Officer fails to issue a decision regarding a request for review and does not notify the economic operator of an extension of the deadline, the Economic Operator has the right to file a complaint with the Procurement Review Body upon the expiry of a period of 3 (three) working days from the date the request for review was submitted. For the purpose of calculating time limits, the date of submission of the request for review is considered day zero (0).

Therefore, as we have received no response from the Contracting Authority (the Municipal Assembly of Prizren)—neither a decision (approval or rejection) nor a request for an extension of the deadline—we are compelled to act in accordance with the legal provisions set forth in Article 109 of the Law on Public Procurement (LPP) and Article 64.1 of Regulation No. 001/2022.

We maintain that the cancellation was carried out without demonstrating the existence of the legal conditions that permit the termination of a procurement activity prior to the opening of bids; furthermore, the justification provided by the Contracting Authority fails to meet the standards required by Articles 43.1 and 43.8(a) of Regulation No. 001/2022 on Public Procurement. In particular, a general statement that budgetary funds were seized by a bailiff is not sufficient to prove the occurrence of an objective, demonstrable event that was beyond the Contracting Authority's control and unforeseeable at the time the procedure was initiated.

I. THE CONTESTED DECISION AND JUSTIFICATION

In the Notice of Cancellation, the Contracting Authority (CA) cited the following reason:

"The discontinuation of the procurement activity is necessary due to events and/or objective and demonstrable reasons that are beyond the control of the Contracting Authority and were unforeseeable at the time the procurement activity was initiated."

Furthermore, in the "Additional Information" section, the CA justifies the cancellation by citing "a lack of budgetary funds in the 'goods and services' category, resulting from the seizure of budgetary funds by a bailiff." It also refers to a "trend of budgetary funds being seized by a

bailiff," concluding that the implementation of the project would remain impossible in the coming years.

We contend that this specific justification fails to meet the legal criteria for cancellation.

Evidence:

The justification provided in Notice B10 regarding the cancellation of the procurement activity.

Documents/Decisions issued by the Mayor of the Municipality concerning the procurement activity: "Physical security for Primary Health Care (PHC) facilities."

The first decision, issued on 26.03.2026, was subsequently annulled, and a second decision was issued on 21.05.2026, following a change in the estimated contract value—from 270,000.00 EUR to a new value of 680,000.00 EUR, as per the latter decision.

II. VIOLATION OF ARTICLE 9 OF THE PPL – AVAILABILITY OF FUNDS PRIOR TO INITIATION

Article 9 of the Public Procurement Law (PPL) imposes specific obligations upon the Contracting Authority (CA) prior to the initiation of a procurement activity, concerning the assessment of needs and the availability of funds.

The procurement activity in question was initiated, and the Contract Notice was published, on 04.06.2026.

Consequently, prior to initiation, the CA was required to carry out procedures to determine needs and the availability of funds, and to ensure the existence of an appropriate financial basis for initiating the activity.

This gives rise to a fundamental issue: Assuming that funds existed and were confirmed at the time of initiation, the CA must demonstrate what specific event occurred after initiation—specifying the date, the amount involved, and why such an event could not have been foreseen on 04.06.2026. Without this demonstration, the cancellation cannot be based solely on a general statement regarding a lack of funds.

Attached below is the evidence—the "Declaration of Needs and Determination of Availability of Funds" (DNPDF)—approved on May 25, 2026, signed by the authorized officials (ZKF), and confirmed by the Chief Administrative Officer (the Mayor of the Municipality) on May 26, 2026.

Evidence:

The attached DNPDF document dated May 25, 2026.

Additional evidence regarding the procedure in question.

III. FINANCIAL RULE NO. 01/2013/MF – COMMITMENT OF FUNDS PRIOR TO

PROCUREMENT

Financial Rule No. 01/2013/MF on the Expenditure of Public Funds is particularly relevant.

According to Article 4, the process of expending public funds comprises the following elements: budget appropriation – allocation – commitment – procurement – obligation – payment.

Article 7 stipulates that budget appropriations are recorded in the SIMFK (Integrated Financial Management Information System), and the system incorporates internal controls to prevent expenditures from being executed if sufficient funds are not available.

Even more significant is Article 12.

According to Article 12.1:

"A commitment is an accounting recognition within the SIMFK" of a potential future expenditure of public funds. Meanwhile, Article 12.2, with reference to Article 36.1 of the LPFMA, requires that, prior to initiating the procurement process, the budget organization must record the commitments of allocated funds in the SIMFK.

The Financial Rules also stipulate that the procurement module in the SIMFK (Integrated Financial Management Information System) is used to record commitments and obligations for expenditures requiring procurement, and that a commitment is recognized when a purchase requisition is processed.

This necessitates that the Contracting Authority (CA) present the actual status within the SIMFK, rather than merely providing a general statement regarding a lack of funds.

IV. ARTICLE 43.8(a) – CONDITIONS FOR CANCELLATION PRIOR TO BID OPENING

Article 43.8(a) of Regulation No. 001/2022 stipulates that a procedure may be cancelled prior to the opening of bids due to demonstrable events and/or reasons beyond the control of the Contracting Authority (CA) that were unforeseeable at the time the procurement procedure was initiated.

Furthermore, any cancellation under this provision must be effected at least three days prior to the opening of tenders.

Thus, the provision establishes certain conditions that must be substantiated in the specific case at hand:

1. there must be a concrete event/reason;

2. it must be demonstrable;

3. it must be beyond the control of the Contracting Authority (CA);

4. it must not have been foreseeable at the time the procedure was initiated;

5. there must be a concrete link between this event and the need to cancel the procedure.

The fulfillment of these conditions has not been demonstrated in the Notice of Cancellation.

V. THE “TREND OF ENFORCEMENT ACTIONS” CONTRADICTS THE CLAIM OF UNFORESEEABILITY

The CA itself states that there is a:

“trend of budgetary funds being seized by the enforcement agent.”

This phrasing stands in serious contradiction to the grounds chosen for the cancellation.

If there is a “trend,” then this refers to a phenomenon that is not occurring for the first time in a completely unexpected manner.

Therefore, the CA must demonstrate:

- when this “trend” began;
- which enforcement actions existed prior to 04.06.2026;
- when the Municipality was notified of the specific obligation;
- when the enforcement title became final and binding;
- when the enforcement procedure was initiated;
- and when the funds were specifically seized. If the Contracting Authority was aware of the obligation or the real risk of its enforcement prior to the initiation of the activity, then the condition of unpredictability cannot be considered automatically met.

VI. LMFPP – ENFORCEMENT DOES NOT AUTOMATICALLY CREATE AN OBLIGATION FOR CANCELLATION

Law No. 03/L-048 on Public Financial Management and Accountability contains specific provisions

regarding the execution of final, binding decisions against public authorities.

Article 40 defines the mechanism through which such payments are effected.

The existence of an enforcement obligation does not automatically mean that every other procurement activity of a budgetary organization must be cancelled.

It must be demonstrated that the specific enforcement action has genuinely affected the funds allocated to the activity and that, following this execution, there is no longer a legal or financial possibility to continue the activity.

In particular, consideration must be given to the mechanisms provided for under Article 40 of the LMFPP for instances where available budgetary allocations are insufficient for the immediate execution of the entire obligation.

The lawfulness of enforcement does not automatically establish the lawfulness of cancellation.

VII. ADMINISTRATIVE INSTRUCTION NO. 08/2009 AND THE LAW ON ENFORCEMENT PROCEDURE

Both Administrative Instruction No. 08/2009 on the Execution and Payment of Enforceable Court Decisions and Law No. 04/L-139 on Enforcement Procedure must be interpreted in harmony with the LPP (Law on Public Procurement).

These provisions regulate the manner in which enforcement obligations are fulfilled. They do not, in themselves, create a new basis for the cancellation of public procurement activities.

For a cancellation to occur, the Contracting Authority (CA) remains obligated to satisfy the specific conditions set forth in the LPP and Article 43 of Regulation No. 001/2022.

Therefore, the CA must identify:

Therefore, the Contracting Authority (CA) must identify:

- the specific enforcement title;
- the case number;
- the creditor;
- the amount;
- the date of execution;
- the method of execution;
- the affected budget allocation;
- and the concrete impact on the commitment for activity no. 622-26-4204-2-1-1.

VIII. VIOLATION OF ARTICLE 43.1 – LACK OF FACTUAL JUSTIFICATION AND LEGAL BASIS

This is one of the primary claims in this Complaint.

Article 43.1 of Regulation No. 001/2022 stipulates that, in the event of a decision to cancel a procurement procedure, the Contracting Authority (CA) must immediately prepare and publish Form B58 – “Notification of the Contracting Authority’s Decision,” which must set out the factual reasons and the legal basis for the cancellation.

This provision is not merely a formal requirement.

Its purpose is to enable the interested party to understand precisely:

What happened?

When did it happen?

Which fact caused the cancellation?

What evidence proves that fact?

And upon which specific legal provision is the cancellation based?

In the present case, a general statement that “the enforcement agent has received the funds” does not replace the factual demonstration required by Article 43.1, much less does it prove the substantive conditions of Article 43.8(a).

The Notice of Annulment fails to identify, at a minimum:

the amount of funds collected;

the date

the number of the

the title

of the collection

the subject matter thereof;

enforcement [proceeding/case];

enforcement [proceeding/case];

the date on which the Budgetary Organization (BO) became aware of the obligation;

the budget code from which the funds were executed [deducted];

the amount that existed prior to the enforcement;

the remaining amount after the enforcement;

the specific commitment related to this activity;

the specific impact of the enforcement on this commitment;

a financial analysis demonstrating the impossibility of continuing;

• the legal basis linking the specific enforcement action to the necessity of cancelling the activity.

Conversely, B10 provides only a general observation regarding the lack of funds in the

"goods and services" category and the "trend" of enforcement actions.

This is not equivalent to presenting the factual grounds and the legal basis, as explicitly

required by Article 43.1.

For this reason, we consider the decision to be deficient in terms of both its reasoning and the transparency of the decision-making process.

IX. COMPLIANCE WITH THE PROCEDURE (B58 – B10) MUST BE VERIFIED

In addition to the content of the decision, the procedure followed by the Contracting Authority (CA) for the cancellation must also be verified.

Pursuant to Article 43.1, in the event of a decision to cancel, the CA must immediately prepare and publish Form B58 – Notification of the Contracting Authority's Decision, which sets out the factual reasons and the legal basis for the cancellation.

Furthermore, the procedure stipulated in Article 43 must be fully complied with prior to finalizing the cancellation and publishing Form B10.

The document available to us is Form B10 – Notification of Cancellation of the Procurement Activity, prepared on 14.08.2026.

For this reason, we request that the CA verify and provide evidence of the following:

1. the date the decision to cancel was taken;

2. the date of publication of the B58 [Notice of Cancellation];

3. the full content of the B58;

4. the factual grounds presented in the B58;

5. the legal basis presented in the B58;

6. compliance with the time limit for exercising legal remedies;

7. the date of preparation and publication of the B10 [Notice of Contract Award/Cancellation];

8. compliance with the procedural sequence required by Article 43.

If the B58 has not been published, or if the B58 does not contain the factual grounds and legal basis required by Article 43.1, then there is a procedural deficiency that must be examined separately from the substantive grounds for the cancellation itself.

X. THE CONTRACTING AUTHORITY (CA) MUST DEMONSTRATE WHETHER THE FUNDS FOR THIS ACTIVITY HAVE BEEN AFFECTED

The Notice of Cancellation does not state that the funds specifically earmarked for activity no. 622-26-4204-2-1-1 have been affected.

It merely states that there is a shortage of funds within the "goods and services" category.

This distinction is crucial.

A general reduction in a budgetary category does not automatically prove that it is impossible to finance this specific activity.

The CA must demonstrate the link:

activity funds ^ commitment in SIMFK ^ enforcement ^ reduction/cancellation of the commitment ^

actual impossibility of funding.

Without this documentary link, the necessity for cancellation cannot be considered proven.

XI. THE CLAIM OF IMPOSSIBILITY “FOR FUTURE YEARS” IS

UNSUBSTANTIATED

The Contracting Authority (CA) states that:

“the implementation of this project would be impossible for future years, based on the

budgetary capacities available to the directorate.”

This is a conclusion regarding the future.

However, the Notice of Cancellation does not present:

analysis

multi-year financial projection;

budget;

budgetary allocations for the respective years;

expected enforcement obligations;

cash flow plan;

• or another document demonstrating this inability.

The term “we consider” does not replace the “demonstrable” standard set forth in Article 43.8(a).

XII. EXISTENCE OF MECHANISMS FOR THE MANAGEMENT OF FUNDS

Financial Rule No. 01/2013/MF provides for mechanisms for the management of apportionments and

allocations.

Article 8 allows for the transfer of budgetary allocations between programs and economic

codes, in accordance with the rules of the LPFMA (Law on Public Financial Management and Accountability).

Article 10 also governs the allocation of funds and stipulates that, if a budgetary organization wishes to modify allocations to accommodate changes in the budget execution plan, the request must be submitted to the Director of the Treasury.

Therefore, before a temporary shortage of funds is used as a basis for cancellation, the specific financial situation and the genuine impossibility of proceeding within the framework of the available legal mechanisms must be demonstrated.

XIII. PRINCIPLES OF THE PPL

The decision-making of the Contracting Authority (CA) must be in compliance not only with the technical provision regarding cancellation but also with the fundamental principles of the PPL concerning:

Administrative Instruction No. 08/2009 on the Execution and Payment of Court Enforcement Decisions;

- Financial Regulation No. 01/2013/MF – Expenditure of Public Funds;
- and the rules regarding the SIMFK (Financial Management and Control Information System), the allocation and commitment of funds,

we consider that the justification provided by the Contracting Authority (CA) does not demonstrate that the legal conditions for the cancellation of the procurement activity have been met.

In particular, the CA:

- has not demonstrated the occurrence of a specific, unforeseeable event;
- it has not demonstrated the amount and date of the enforcement action;
- it has not demonstrated that the funds specifically allocated to this activity were affected;
- it has not demonstrated the status of the commitment within the SIMFK (Integrated Financial Management Information System);
- it has not demonstrated the impossibility of financing the activity;
- it has not demonstrated the impossibility of implementation for future years;

furthermore, the published justification does not fully present the facts and the legal basis required by Article 43.1 of Regulation No. 001/2022 on Public Procurement.

Moreover, the Contracting Authority's own reference to a "trend" of enforcement actions raises serious doubt as to whether the circumstance cited for the cancellation can simultaneously be considered "unforeseeable" within the meaning of Article 43.8(a).

For these reasons, we consider that the cancellation—based on the specific grounds and justification provided by the Contracting Authority—is not legally sound and should be set aside.

Pursuant to Article 111, paragraph 5, in conjunction with Articles 113 and 114 of the Law on Public Procurement (LPP), the Procurement Review Body, on 26 August 2026, authorized the reviewing expert to conduct an initial examination of the case file and the claims set forth in the complaint (reference no. ...). 2026/0640, and on 28.08.2026, the review expert's report (no. 2026/0640) was submitted, containing the following recommendations: Based on the aforementioned clarifications and assessments, the review expert proposes to the Review Panel that the complaint filed by the complaining Economic Operator (EO) be upheld as well-founded, that the Notice of Cancellation of the Procurement Activity be annulled, and that the procurement activity be reverted to the stage prior to the publication of Form B10.

All procedural parties have duly received the expert report. The Contracting Authority (CA) has accepted the recommendations of the review expert's report, whereas the Economic Operator (EO) has expressed disagreement with the review expert's report.

The Review Panel has determined that the conditions for deciding on this matter without a hearing—pursuant to Article 24, paragraph 1 of the PRB's Rules of Procedure—have been met, given that the parties' claims and submissions, the evidence, and the review expert's report provide sufficient information to reach a decision on the merits of the case.

- Administration and evaluation of evidence –

In order to accurately establish the factual situation, the Review Panel has admitted as evidence the Review Expert's Report, the submissions and documents from the complaining Economic Operator, the filings and documents from the Contracting Authority, relevant documentation concerning the procurement activity, as well as all evidence proposed by the procedural parties.

Regarding the claims made by the Economic Operator "SKYFTERAT - LIVE" Sh.P.K., the review expert, in report no. 2026/0640, has provided the following assessment:

I. APPEAL CLAIMS

The complainant, the Economic Operator (EO) SKYFTERAT-LIVE SH.P.K., in challenging the cancellation of the procurement activity titled "Physical Security of KPSH Facilities" (procurement number 622-26-4204-2-1-1), asserts that the Contracting Authority—the Municipal Assembly of Prizren—failed to comply with the procedural requirements of public procurement legislation and that the justification provided for the cancellation was not sufficiently substantiated.

The complainant alleges that on August 17, 2026, the Contracting Authority (CA) published Form B10—"Notice of Cancellation of Procurement Activity"—without first publishing Form B58—"Notice of the Contracting Authority's Decision." According to the complainant, in the event of a cancellation, the CA was required to first publish Form B58, detailing the factual grounds and legal basis for the cancellation, while Form B10 should have been published only after the expiration of the period allowed for the submission and review of requests for reconsideration. Consequently, the complainant argues that the procedural sequence established by Article 43 of the Rules of Public Procurement (RrPP) was not followed. The complainant further states that on 19.08.2026, they submitted a request for reconsideration via the E-Procurement platform; however, according to the complainant, the Contracting Authority (CA) did not suspend the procedure and failed to issue a decision regarding the request for reconsideration. In the absence of a decision from the CA within the applicable deadline, the complainant states that they referred the matter to the Procurement Review Body (PRB).

Regarding the substance of the case, the complainant contests the CA's reasoning that the cancellation was necessary due to a lack of budgetary funds—a situation resulting from the seizure of these funds by a bailiff. The complainant argues that a general statement regarding a lack of funds is insufficient to substantiate the occurrence of a specific, demonstrable event that is beyond the CA's control and was unforeseeable at the time the procedure was initiated, as required by Article 43.8(a) of the Rules of Public Procurement (RrPP).

In this regard, the complainant points out that prior to the initiation of the activity, a Declaration of Needs and Determination of Availability of Funds existed—approved on May 25, 2026, and confirmed on May 26, 2026—for an estimated value of 680,000.00 euros. Consequently, the complainant argues that the Contracting Authority (CA) must demonstrate what financial circumstance arose after the initiation of the procedure, when it occurred, the amount involved, and why it could not have been foreseen earlier.

The complainant also refers to financial regulations concerning the commitment of funds, asserting that the CA must present the actual status of the commitment within the SIMFK (Integrated Financial Management Information System) and the specific impact of the enforcement action (by a bailiff) on the funds allocated for this activity. Furthermore, the complainant challenges the CA's reference to a "trend of budget funds being seized by a bailiff," arguing that such a characterization calls into question the criterion of unpredictability.

Moreover, the complainant contends that the existence of an enforcement obligation does not automatically imply that the conditions for cancelling the activity have been met. According to him, the Contracting Authority (CA) must identify the specific enforcement title, the case number, the creditor, the amount and date of execution, the affected budget allocation, and the specific impact on the commitment for the activity. According to the complainant, the CA's reasoning does not meet the requirements of Article 43.1 of the Rules of Public Procurement (RPP), as the factual grounds and legal basis for the cancellation have not been fully presented. The complainant further argues that the CA has failed to demonstrate that the enforcement action specifically affected the funds allocated for this activity, and that a lack of funds in the "goods and services" category does not automatically prove that the activity cannot be financed.

Furthermore, the complainant contests the finding that the implementation of the project would remain impossible in the coming years, arguing that such a conclusion is not supported by any financial analysis or relevant documentation.

Additionally, the complainant asserts that, prior to making the decision to cancel, the Contracting Authority (CA) should have evaluated the legal options for managing budgetary allocations; the complainant further argues that a temporary lack of funds cannot serve as a sufficient basis for cancellation without a demonstration of the actual financial situation and the genuine impossibility of continuing the activity.

For these reasons, the complainant maintains that the CA has failed to demonstrate that the legal conditions for cancelling the procurement activity have been met. Consequently, the complainant requests the annulment of the decision/notice of cancellation and the resumption of the activity from the stage at which it was halted.

II. ASSESSMENT BY THE REVIEWING EXPERT

Following a review of the relevant procurement procedure documentation, in relation to the claims raised by the complaining Economic Operator (EO), the reviewing expert provides the following clarification and assessment:

The procurement activity records indicate that Form B10 – "Notice of Cancellation of Procurement Activity" was issued on 17 August 2026, whereas the deadline for the submission and opening of tenders was 21 August 2026. The cancellation of the activity occurred prior to the opening of bids—a stage at which cancellation is governed by Article 43.8(a) of the Rules of Public Procurement (RPP).

Pursuant to Article 43.1 of the RPP, in the event of a decision to cancel a procurement procedure, the Contracting Authority (CA) must immediately prepare and publish Form B58 – "Notice of the Contracting Authority's Decision," which sets out the reasons for the cancellation. Furthermore, under Article 43.2 of the RPP, once the deadline for the submission and review of requests for reconsideration has expired, the process proceeds with the preparation and publication of Form B10 – "Notice of Cancellation of Procurement Activity."

Consequently, the procedural sequence established by these provisions is:

B58 ^ the time limit for the submission and review of requests for reconsideration ^ B10.

An analysis of the activity on the E-Procurement platform reveals that the Contracting Authority (CA) did not publish

Form B58; instead, it proceeded directly to Form B10 and changed the status of the activity

to "Cancelled."

Under these circumstances, the reviewing expert finds that the CA failed to adhere to the

mandatory procedural sequence established by Articles 43.1 and 43.2 of the Rules of Public Procurement (RPP). This violation cannot be dismissed

as a mere formal deficiency. Form B58 is the instrument through which the CA's decision—along with the

reasons and legal basis supporting it—is communicated to interested parties; its publication

marks the commencement of the time limit for the submission and review of requests for

reconsideration. By bypassing this stage and proceeding directly to the publication of Form

B10, the CA has compromised the procedural sequence intended for notifying parties and

enabling them to exercise their right to request reconsideration of the cancellation decision.

Accordingly, the reviewing expert concludes that the claim raised by the complaining Economic Operator (EO)

regarding the failure to follow the proper cancellation procedure is well-founded. Regarding the request for reconsideration, the complaining Economic Operator (EO) states that on 19.08.2026, it submitted a request via the E-Procurement platform, and that the Contracting Authority did not suspend the procedure nor issue a decision concerning it.

Upon analysis of the procedure on the E-Procurement platform, the document containing the request for reconsideration is not currently visible or accessible; therefore, the reviewing expert was unable to directly verify its existence on the platform, the date and content of the request, or how it was handled by the Contracting Authority.

Regarding this matter, the reviewing expert requested clarification from the PPRC (Public Procurement Regulatory Commission). According to the response received, a request for reconsideration may be submitted even after the publication of Form B10; however, to access the relevant functions within the E-Procurement platform, the procurement activity must be changed from the "Cancelled" status—a change that must be initiated by the Contracting Authority.

This clarification indicates that the inability to access the document containing the request for reconsideration cannot be used as a basis to conclude that such a request was not submitted.

The Contracting Authority is reminded that if it is confirmed that a request for reconsideration was submitted but no decision was reached regarding it, such inaction constitutes a failure to comply with the rules for handling requests for reconsideration. Pursuant to Article 97.1, point (e) of the Public Procurement Rules (PPR), the following is considered a serious violation: "Failure to comply with the rules for handling requests for reconsideration by the Contracting Authority."

As for the substantive grounds for cancellation, the documentation indicates that the Contracting Authority (CA) cited a lack of budgetary funds resulting from enforcement proceedings (execution of a judgment/claim). The reviewing expert considers that a genuine lack of budgetary funds may render it impossible for the Contracting Authority to assume contractual

obligations; however, this circumstance must be substantiated with facts, financial documentation, and concrete reasoning demonstrating its impact on this procurement activity, in order to assess whether the conditions of Article 43.8(a) of the Rules of Public Procurement (RPP) have been met.

The relevant grounds and evidence must be clearly presented, in accordance with Article 43.1 of the RPP.

III. CONCLUSION

Based on the reasoning above, the reviewing expert finds that the complaint filed by the Economic Operator (EO) is well-founded, as the review revealed violations of public procurement legislation—specifically, the Contracting Authority's failure to adhere to the legal and procedural requirements set forth in Articles 43.1 and 43.2 of the Rules of Public Procurement (RPP) regarding the cancellation of a procurement activity.

Consequently, it is recommended that the procurement activity be reverted to the stage prior to the publication of Form B10, in order to rectify the identified violations and continue the procedure in accordance with the applicable legislation.

The Contracting Authority is further reminded that, should it be confirmed that a request for reconsideration was submitted and no corresponding decision was issued, this matter must also be assessed in light of Article 97.1, point (e) of the RPP, which classifies the failure to comply with the rules for handling requests for reconsideration as a serious violation.

-Findings of the Review Panel -

The Review Panel finds that the Review Expert's Report—prepared at the Panel's request regarding the dispute in this public procurement case—contains the essential elements required for such a document under Article 113 in conjunction with Article 114 of the Law on Public Procurement (LPP). These provisions require the expert to examine all procurement documentation, including all claims raised in the complaint, and to provide the Panel and all parties to the dispute with an independent, professional assessment of the procurement activity and the validity of the claims. However, it must be emphasized—as a matter of law—that an expert report is not binding upon the Review Panel. Rather, any such report is evaluated and/or analyzed within the broader context of the case file, the facts asserted, and any other available evidence. This assessment takes into account the nature of any alleged violations, as well as the progression, nature, and purpose of the procurement activity. Consequently, the decision as to whether—and to what extent—the Panel relies upon an expert's report or any of its recommendations rests solely on the Panel's own independent, professional judgment; this is consistent with the responsibilities outlined in Articles 98 and 99, in conjunction with Article 105, of the Public Procurement Law. The Review Panel examined all the documentation pertaining to this case—including the acts and actions of the Contracting Authority (CA), the submissions and evidence provided by the complainant, and the report from the review expert—and, upon analyzing these within the overall context of the matter, reached an independent conclusion that the complaint filed by the Economic Operator (EO) should be upheld as well-

founded. In this regard, the Panel notes that the expert report was prepared in a professional manner; it addresses all the claims raised in the complaint, providing an analysis of each in relation to the specific provisions that were violated—as required, at a minimum, by Articles 113 and 114 of the Law on Public Procurement (LPP).

The Review Panel in this case cannot endorse the recommendation of the review expert; instead, the complaint filed by the Economic Operator (EO) is upheld as partially well-founded. This is because, on August 14, 2026, the Contracting Authority (CA) published Form B10—"Notice of Cancellation of Procurement Activity"—on the e-procurement platform. In its justification, the CA cited a lack of financial resources resulting from funds being seized by private bailiffs. In this instance, the CA did not open the bids at all—being aware that it lacked the necessary financial resources—and proceeded to cancel the procurement activity. It is my assessment that other municipalities have faced similar issues regarding the seizure of funds by bailiffs; therefore, I support the CA’s decision to cancel the procurement activity. Furthermore, the cancellation occurred prior to the opening of bids. In accordance with Article 24 of the Law on Public Procurement (LPP), it is stipulated that: "2. The contracting authority shall be responsible for ensuring that all procurement activities of such contracting authority are carried out in full compliance with this Law." 3. The Procurement Officer of a contracting authority is responsible for immediately reporting to the PPA regarding procurement activities of the respective contracting authority that are carried out in a manner inconsistent with this Law.

The Review Panel finds that the Contracting Authority cannot be compelled to enter into financial obligations, as doing so—in the absence of budgetary allocations—would constitute a violation of the Law on Public Finance Management. Therefore, the Contracting Authority’s action is fully consistent with public finance management regulations, given that the allocated funds were withdrawn by the bailiff.

Consequently, pursuant to Articles 1 and 7 of the Law on Public Procurement (LPP), the Review Panel has decided to uphold the B10 Notice regarding the cancellation of the procurement activity titled "Physical Security of KPSH Facilities," bearing procurement number 622-26-4204-2-1-1.

Furthermore, the PSH informed the Contracting Authority (CA) that it would monitor this procedure. It stated that in the event of a re-tendering process—conducted without the necessary funds being allocated—or the application of Article 35 of the Law on Public Procurement (LPP) (i.e., carrying out a negotiated procedure without publication for the same procurement activity), it would take measures in accordance with the legal provisions of the LPP and the Rules of Procedure of the Procurement Review Body (PRB). The Review Panel, based on its independent assessment pursuant to Article 105—and taking into account the requirement of Article 104, paragraph 1, of the cited Law, which states: “The procurement review procedure shall be applied and conducted in an expeditious, fair, and non-discriminatory manner, with the objective of achieving a fair, lawful, and effective resolution of the matter...” as well as in line with Article 1 of the Law on Public Procurement (LPP), which stipulates that the purpose of this Law is, among other things: “...to ensure the integrity and accountability of public officials, civil servants, and other persons who carry out or are involved in a procurement activity, by requiring that the

decisions of such individuals—and the legal and factual basis for those decisions—not be influenced by personal interests; that they be characterized by non-discrimination and a high degree of transparency; and that they comply with the procedural and substantive requirements of this Law." Therefore, the Review Panel based its findings on the relevant provisions of the LPP, which address and regulate such situations as may arise during a procurement activity.

Therefore, acting in accordance with the aforementioned competencies and Article 104, paragraph 4, in conjunction with paragraph 1—which stipulates that the procurement review procedure shall be conducted and implemented in an expeditious, fair, and non-discriminatory manner, with the objective of achieving a lawful and effective resolution of the case—and having regard to Article 117 of the PPL (Public Procurement Law) as well as the evidence presented above, the Review Panel has decided as in the provision of this decision.

President of the Review Panel

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Mrs. Batisha Ibrahimi

Legal advice:
An appeal is not allowed against this decision, but the dissatisfied party can appeal to the Commercial Court,to the Department for Administrative Affairs for annulment of the decision within 30 days from the date of acceptance of the decision.

Decision to be submitted to:

1x1 CA – **MUNICIPAL ASSEMBLY OF PRIZREN;**
1x1 EO **– SKYFTERAT - LIVE SH.P.K.;**
1x1 Archive of the PRB