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Snapshot Analysis of Asset Confiscation in Kosovo

Alignment with EU Directive 2024/1260
on Asset Recovery and Confiscation

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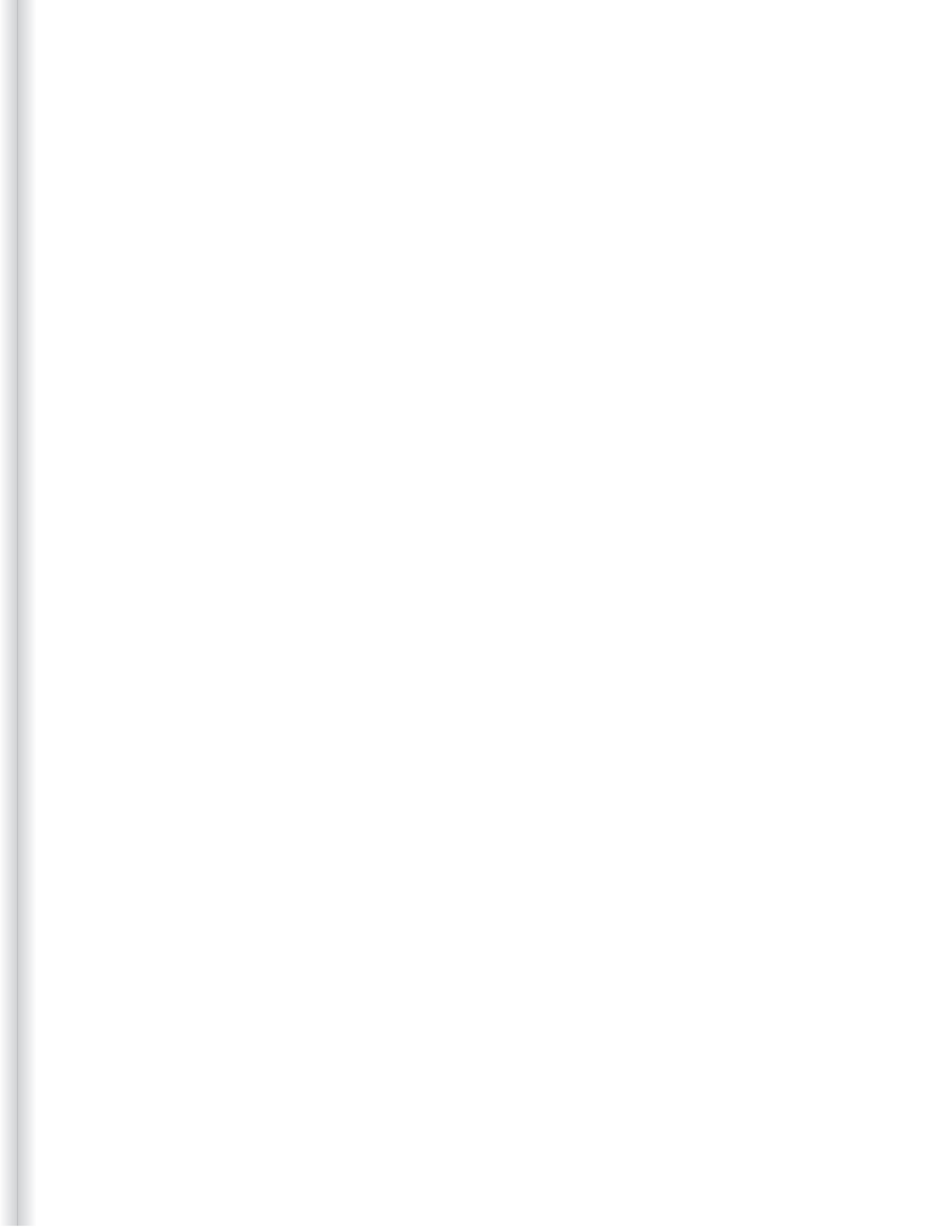
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PART 1. Introduction

Lëvizja FOL has prepared this Snapshot Analysis with the aim of supporting the development of the Concept Document on asset recovery in Kosovo. The analysis is intended to provide a structured overview of the existing legal and institutional framework governing asset confiscation and recovery, identify areas of alignment and misalignment with EU Directive 2024/1260 on Asset Recovery and Confiscation (hereinafter: EU Directive 2024/1260), and highlight key issues that warrant consideration in the forthcoming policy and legislative reform process.

The report is designed as a practical reference tool for policymakers and practitioners involved in justice sector reforms, with a focus on strengthening the effectiveness, coherence, and EU alignment of Kosovo's asset recovery framework.

PART 2. Executive Summary

This Snapshot Analysis examines the current legal and institutional framework governing criminal asset confiscation in Kosovo, with a particular focus on its alignment with EU Directive 2024/1260 on asset recovery and confiscation. The report is designed as a policy-oriented analytical tool to support ongoing justice sector reforms and to inform the work of the Ministry of Justice working group tasked with the preparation of the Concept Document on Asset Recovery.

The primary purpose of the Snapshot Analysis is threefold. First, it assesses how Kosovo's existing legislation regulates key stages of the asset confiscation cycle, including tracing and identification of assets, freezing and sequestration, confiscation following conviction and under extended powers, and the management of seized and confiscated assets. Second, it evaluates the degree to which these national provisions correspond to the substantive and procedural requirements introduced by EU Directive 2024/1260. Third, it identifies structural, legal, and institutional gaps that may hinder Kosovo's ability to fully align with emerging EU standards in the field of asset recovery.

The analysis confirms that Kosovo has established a relatively comprehensive legal framework for criminal asset confiscation. Core concepts such as proceeds of crime, instrumentalities, confiscation following conviction, and extended confiscation are regulated through a combination of the Criminal Code, the Criminal Procedure Code, and the Law on Extended

Powers on Confiscation of Assets. In addition, the Law on the Management of Sequestered and Confiscated Assets provides a dedicated legal basis for the administration, preservation, and disposal of assets once seized or confiscated. Recent institutional developments, notably the establishment of the Asset Recovery Office through Kosovo Prosecutorial Council Regulation No. 01/2024, further demonstrate a policy commitment to strengthening asset tracing and recovery capacities.

At the same time, the analysis highlights that formal legal coverage does not always translate into full functional alignment with EU Directive 2024/1260. While many core concepts of the Directive are present in Kosovo legislation, they are often regulated in a fragmented manner across multiple legal acts, without an overarching strategic framework for asset recovery. The Directive introduces a more integrated and proactive approach, emphasising early asset tracing, systematic financial investigations, cross-border cooperation, and the effective management and social reuse of confiscated assets. Kosovo's framework addresses many of these elements individually but does not yet consolidate them into a coherent asset recovery system as envisaged by the Directive.

Key gaps identified through reference to the Table of Concordance include the absence of an explicit and uniform legal definition of tracing and identification as a distinct phase of proceedings, limited regulation of asset recovery activities beyond the criminal trial itself, and insufficient linkage between confiscation mechanisms and broader policy objectives such as victim compensation or social reuse of assets. In addition, the analysis notes challenges related to inter-institutional coordination, particularly between prosecutors, law enforcement agencies, and the asset management authority, which may reduce the overall effectiveness of confiscation measures in practice.

In this context, the Snapshot Analysis concludes that Kosovo is partially aligned with EU Directive 2024/1260. The foundations for alignment are present, but targeted legislative amendments and policy measures are required to ensure full compliance. The report therefore proposes a set of focused recommendations aimed at supporting the Government of Kosovo in adapting its legal framework to EU standards, strengthening institutional coordination, and embedding asset recovery as a strategic tool in the fight against organised crime and corruption.

Part 3. Methodology and Sources

This Snapshot Analysis is based on a structured desk review of Kosovo's legal framework on criminal asset confiscation and related institutional arrangements, combined with a comparative assessment against the requirements of EU Directive 2024/1260 on asset recovery and confiscation.

The Table of Concordance serves as the main methodological tool for the analysis and was developed specifically for this purpose. The table provides an article-by-article comparison between the provisions of EU Directive 2024/1260 and relevant Kosovo legislation. It identifies areas of full alignment, partial alignment, and non-alignment, and serves as the primary reference for the analytical chapters of this report. While the Table of Concordance is not reproduced in this publication, its findings are systematically reflected throughout the narrative analysis.

The legal sources reviewed include, in particular, the Criminal Code of the Republic of Kosovo, the Criminal Procedure Code, the Law on Extended Powers on Confiscation of Assets, the Law on the Management of Sequestered and Confiscated Assets, the Kosovo Prosecutorial Council Regulation on the Asset Recovery Office, and legislation governing victim compensation. These instruments were analysed both individually and in their combined effect, in order to assess how the confiscation system functions across different stages of criminal proceedings.

In addition to national legislation, the analysis draws on the text and objectives of EU Directive 2024/1260, with particular attention to its expanded scope compared to earlier EU instruments. The Directive's emphasis on asset recovery as a continuous process, rather than a measure limited to post-conviction confiscation, provided the conceptual framework for assessing Kosovo's legal and institutional arrangements.

Overall, the methodology is designed to produce a policy-oriented assessment, focusing on legal coherence and readiness for EU approximation, rather than an evaluation of individual cases or enforcement outcomes.

Part 4. Introductory Legal Context: Kosovo's Asset Confiscation Framework

Kosovo's framework on asset confiscation and recovery is not contained in a single comprehensive legal act, but is instead constructed through a set of interlinked substantive, procedural, and institutional laws. Together, these instruments regulate the identification of criminal proceeds, the imposition of confiscation measures, and the management of assets subject to judicial decisions. This part presents an overview of each of the key legal acts analysed in this Snapshot Analysis and explains their respective roles within the broader asset confiscation and recovery system.

4.1 Criminal Code of the Republic of Kosovo

The Criminal Code establishes the substantive legal basis for asset confiscation as a criminal sanction. It defines the categories of criminal offences for which confiscation may be imposed and recognises confiscation of proceeds and instrumentalities of crime as an integral part of the punitive response to serious criminality, including organised crime, corruption, and economic offences.

Within the asset confiscation framework, the Criminal Code performs a foundational function by linking confiscation directly to criminal liability and conviction. It sets the normative premise that no one may retain material benefits derived from criminal conduct and that such benefits are subject to permanent deprivation through a final court decision. In this sense, the Code anchors confiscation firmly within the criminal justice system and establishes it as a consequence of unlawful conduct rather than a standalone administrative or civil measure.

However, the Criminal Code regulates confiscation primarily at a principle level. It does not contain detailed procedural rules for tracing, freezing, or enforcing confiscation orders. These operational aspects are delegated to procedural and specialised legislation, making the Criminal Code dependent on complementary instruments for the practical implementation of asset recovery measures.

4.2 Criminal Procedure Code of the Republic of Kosovo

The Criminal Procedure Code provides the procedural backbone for the application of asset confiscation measures. It regulates investigative actions, evidentiary standards, interim measures, judicial oversight, and the rights of parties affected by confiscation-related decisions. In practice, it is the Criminal Procedure Code that enables prosecutors and courts to translate the substantive confiscation principles of the Criminal Code into enforceable judicial outcomes.

In the context of asset recovery, the Criminal Procedure Code governs key instruments such as temporary freezing and sequestration orders, searches, seizures, access to financial records, and the procedural guarantees applicable to defendants and third parties. These provisions are central to ensuring that assets suspected of being linked to criminal activity are preserved during criminal proceedings and remain available for potential confiscation upon conviction.

At the same time, the Criminal Procedure Code approaches asset confiscation primarily as an ancillary element of criminal proceedings, rather than as a distinct and continuous process. Tracing and identification activities are embedded within general investigative powers and are not framed as a separate phase of asset recovery. This structural choice has implications for alignment with EU Directive 2024/1260, which treats asset recovery as a process extending beyond the confines of the criminal trial itself.

4.3 Law No. 06/L-087 on Extended Powers on Confiscation of Assets

The Law on Extended Powers on Confiscation of Assets represents a significant development in Kosovo's asset confiscation regime. It introduces mechanisms that allow the confiscation of assets whose lawful origin cannot be justified, even where a direct link to a specific criminal offence cannot be proven beyond reasonable doubt. This law is particularly relevant for addressing complex forms of criminality, including organised crime and high-level corruption.

Under this law, prosecutors may initiate confiscation investigations that focus on the verification of a convicted person's property, applying a balance of probabilities standard. This shifts part of the evidentiary burden to the defendant and allows courts to assess the overall disproportionality between assets and lawful income. In doing so, the law expands the scope of confiscation beyond traditional conviction-based models and strengthens Kosovo's ability to deprive offenders of illicit wealth.

Despite its importance, the Law on Extended Powers remains closely tied to the existence of a prior criminal conviction. It does not provide for confiscation in the absence of conviction, nor does it establish a comprehensive framework for tracing assets independently of criminal proceedings. As such, while the law contributes significantly to asset recovery, it does not fully reflect the broader approach envisaged under EU Directive 2024/1260.

4.4 Law No. 05/L-049 on the Management of Sequestered and Confiscated Assets

The Law on the Management of Sequestered and Confiscated Assets regulates the post-seizure and post-confiscation phase of the asset recovery cycle. It establishes a specialised agency responsible for preserving, administering, evaluating, and disposing of assets that are subject to court orders. This law addresses a critical aspect of asset recovery by ensuring that confiscation measures result in effective and enforceable outcomes.

Through this law, Kosovo recognises that asset confiscation does not end with a judicial decision, but requires professional management to prevent loss of value and misuse of assets. The agency's mandate includes storage, sale, temporary use, and transfer of confiscated assets, as well as cooperation in international cases involving cross-border asset management.

However, the law primarily frames asset management as a technical and administrative function. It does not fully integrate asset management into a broader recovery strategy, nor does it systematically link confiscated assets to policy objectives such as victim compensation, social reuse, or reinvestment in crime prevention. This limits its alignment with the strategic asset recovery approach promoted by EU Directive 2024/1260.

4.5 Kosovo Prosecutorial Council Regulation No. 01/2024 on the Asset Recovery Office

The Regulation on the Asset Recovery Office establishes a specialised structure within the prosecutorial system to support asset tracing, financial investigations, and international cooperation. The creation of the Asset Recovery Office represents an institutional response to the increasing complexity of financial crime and reflects an effort to centralise expertise in asset recovery matters.

The Office is mandated to assist prosecutors in tracing and identifying assets, liaising with financial institutions, supporting confiscation proceedings, and facilitating cooperation with foreign counterparts and asset recovery networks. In this respect, the Regulation provides an important operational link between investigative authorities and asset recovery mechanisms.

Nevertheless, the Asset Recovery Office is primarily designed as a supporting and advisory body. Its mandate is case-driven and dependent on requests from prosecutors, rather than proactive or strategic in nature. The Regulation does not assign the Office a broader coordinating or policy role across the asset recovery system, which limits its contribution to full alignment with the Directive's vision of asset recovery offices as central actors in national asset recovery frameworks.

4.6 Law No. 08/L-109 on Crime Victim Compensation

The Law on Crime Victim Compensation regulates the right of victims to receive financial compensation from public funds in cases of serious crime. While this law does not directly govern asset confiscation, it forms part of the broader ecosystem in which confiscated assets may serve public and restorative purposes.

From an asset recovery perspective, the relevance of this law lies in the potential linkage between confiscation outcomes and victim compensation mechanisms. EU Directive 2024/1260 encourages Member States to consider how confiscated assets can be used to support victims and the public interest. Kosovo's current framework treats victim compensation and asset confiscation as separate legal regimes, with limited interaction between them.

As a result, confiscated assets are not systematically connected to victim compensation schemes. This separation represents a missed opportunity to strengthen the restorative dimension of asset recovery and highlights an area where legislative and policy alignment with EU standards could be improved.

Taken together, Above mentioned Kosovo's legislation form a functionally complete but structurally fragmented framework for asset confiscation and recovery in Kosovo. Each law addresses a specific phase of the process, yet their interaction is not governed by a unified strategy or overarching policy framework. This structural characteristic explains many of the alignment gaps identified in Part 4 and provides essential context for the conclusions and recommendations set out in the final parts of this report.

Part 5. Analysis by Chapters of the Table of Concordance

This part of the report presents a structured analysis of Kosovo's legal framework against EU Directive 2024/1260 on asset recovery and confiscation, following the thematic and chapter-based structure of the Directive, as reflected in the Table of Concordance prepared for this analysis.

The Table of Concordance was produced through a comparative assessment of the following Kosovo legal instruments, explained in Part 3 of this Analysis, against the EU Directive.

Each subsection below identifies (i) the relevant provisions of EU Directive 2024/1260, (ii) the corresponding Kosovo legal instruments; and (iii) areas of alignment, partial alignment, or non-alignment.

5.1 Definitions and Scope (Directive Articles 2–3)

EU Directive 2024/1260 establishes harmonised definitions for key concepts such as proceeds, property, instrumentalities, and tracing and identification, with the objective of ensuring uniform interpretation and application across Member States.

Kosovo legislation provides detailed and operational definitions of proceeds, property, and instrumentalities, primarily through the Criminal Procedure Code and the Law on Extended Powers on Confiscation of Assets. These definitions are substantively aligned with the Directive and, in some respects, are more detailed than the EU formulations.

However, Directive Article 3(4) introduces tracing and identification as a standalone legal concept. Kosovo legislation does not contain an explicit definition of tracing and identification as a distinct phase of proceedings. Instead, these activities are embedded implicitly within investigative powers under criminal procedure and extended confiscation legislation.

An assessment of the relevant provisions indicates that Kosovo's legal framework is aligned with Articles 2 and 3 of EU Directive 2024/1260 insofar as the definitions of proceeds, property, and instrumentalities are concerned. These concepts are regulated in national legislation in a manner that is substantively consistent with the Directive and allows for their effective application in criminal proceedings.

By contrast, Kosovo legislation does not reflect the requirement set out in Article 3(4) of the Directive, which introduces tracing and identification as a distinct legal concept. The absence of an explicit definition of tracing and identification in domestic law reduces conceptual clarity

and limits the ability to treat this activity as a separate and systematic phase of asset recovery. This gap has implications for alignment with subsequent chapters of the Directive, which build upon a clear and autonomous understanding of tracing and identification as a foundational element of the asset recovery process.

5.2 Tracing and Identification of Assets (Directive Articles 4–7)

Directive Articles 4 to 7 require Member States to ensure that competent authorities can proactively trace and identify assets at all stages of criminal proceedings, including after conviction, and to use tools comparable in effectiveness to those used for freezing measures.

In Kosovo, tracing and identification powers are regulated indirectly. Prosecutors may initiate confiscation investigations under the Law on Extended Powers on Confiscation of Assets, and investigative measures under the Criminal Procedure Code allow access to registries, financial data, and other sources of information.

Nevertheless, Kosovo law does not establish tracing and identification as a mandatory and systematic process, nor does it clearly regulate tracing activities outside the context of a specific criminal case or prior to the initiation of formal proceedings.

In particular, Directive Article 4(1), which emphasises tracing even after conviction, is only partially reflected in Kosovo law. While post-conviction property verification is possible, it is limited by scope, timeframes, and case-specific thresholds.

An assessment of Kosovo's legal framework against the requirements of EU Directive 2024/1260 shows that alignment with Article 4, which requires tracing and identification of assets at all stages of proceedings, is partial. While national legislation enables tracing activities within criminal investigations and confiscation proceedings, these measures are not regulated as a continuous and systematic process applicable throughout the full lifecycle of a case.

Similarly, compliance with Articles 5 to 7 of the Directive, which emphasise the effectiveness and continuity of tracing tools, is also partial. Kosovo law provides investigators and prosecutors with a range of investigative powers, but these are dispersed across different legal instruments and are not brought together under a unified legal framework for asset tracing. As a result, tracing activities tend to remain case-driven and reactive, rather than preventive and strategic in nature, reducing overall compliance with the approach envisaged by the Directive.

5.3 Freezing and Sequestration (Directive Articles 8–11)

Directive Articles 8 to 11 regulate freezing orders as interim measures aimed at preserving assets pending confiscation. The Directive stresses speed, proportionality, judicial oversight, and protection of fundamental rights.

Kosovo legislation provides a solid procedural basis for freezing and sequestration through court-ordered temporary measures regulated by the Criminal Procedure Code and the Law on Extended Powers on Confiscation of Assets. Judicial oversight and procedural safeguards are well established.

However, the Directive places additional emphasis on the early use of freezing measures and on the integration of financial investigations with freezing decisions. Kosovo law does not explicitly require freezing measures to be systematically considered as part of financial investigations, nor does it mandate coordination between investigators and asset management authorities at this stage.

The assessment indicates that Kosovo's legal framework is aligned with Articles 8 to 10 of EU Directive 2024/1260, which regulate freezing orders and the associated procedural safeguards. National legislation provides a clear legal basis for the adoption of freezing and sequestration measures, ensures judicial oversight, and includes safeguards aimed at protecting the rights of affected persons, in line with the requirements of the Directive.

At the same time, alignment with Article 11, which focuses on the effectiveness of freezing measures and the need for coordinated action among competent authorities, remains partial. While freezing orders can be issued and enforced in practice, the legal framework does not explicitly require systematic coordination between investigative authorities, prosecutors, and asset management bodies at this stage. This limits the extent to which freezing measures are embedded within a broader, coordinated asset recovery process, as envisaged by the Directive.

5.4 Confiscation Measures (Directive Articles 12–16)

Directive Articles 12 to 16 regulate different forms of confiscation, including conviction-based confiscation, extended confiscation, and confiscation from third parties.

Kosovo law provides a comprehensive framework for conviction-based confiscation through the Criminal Code and Criminal Procedure Code. Extended confiscation is regulated in detail under the Law on Extended Powers on Confiscation of Assets and broadly corresponds to the Directive's requirements.

However, Directive Article 15, which addresses confiscation without a criminal conviction in specific circumstances, is not fully reflected in Kosovo law. Kosovo's framework remains primarily conviction-based, with extended confiscation still linked to a prior conviction.

The assessment shows that Kosovo's legal framework is aligned with Articles 12 to 14 of EU Directive 2024/1260, which regulate conviction-based confiscation and extended confiscation. National legislation provides a clear legal basis for the confiscation of proceeds and instrumentalities following a criminal conviction, as well as for extended confiscation mechanisms based on the disproportionality between assets and lawful income. These instruments correspond in substance to the confiscation models set out in the Directive.

By contrast, Kosovo legislation does not reflect the provisions of Article 15 of the Directive, which

allow for non-conviction-based confiscation in clearly defined circumstances. The absence of a legal framework enabling confiscation without a prior criminal conviction represents a substantive gap when measured against the Directive's broader confiscation toolkit and limits the flexibility of the national system in addressing cases where criminal proceedings cannot be concluded with a final conviction.

5.5 Management of Seized and Confiscated Assets (Directive Articles 17–20)

Directive Articles 17 to 20 emphasise the importance of professional asset management, preservation of value, and strategic reuse of confiscated assets.

Kosovo's Law on the Management of Sequestered and Confiscated Assets establishes a dedicated agency with a clear mandate for managing assets under court orders. This constitutes a strong point of alignment.

Nonetheless, Kosovo legislation does not fully address Directive Article 19, which encourages the use of confiscated assets for social, public, or victim-related purposes. Current provisions focus primarily on disposal and transfer to the state budget.

The assessment indicates that Kosovo's legal framework is aligned with Articles 17 and 18 of EU Directive 2024/1260, which concern the establishment of asset management structures and the basic principles governing the administration of seized and confiscated assets. National legislation provides for a dedicated authority with a clear mandate to preserve, manage, and dispose of assets subject to court orders, thereby meeting the core structural requirements set out in the Directive.

Alignment with Article 19, which promotes the reuse of confiscated assets for social, public, or victim-related purposes, is partial. While Kosovo law allows for the disposal and transfer of confiscated assets, it does not establish a systematic framework for their reuse in support of defined public interest objectives. Decisions regarding the use of confiscated assets remain largely ad hoc and are not embedded within a broader policy framework.

Similarly, compliance with Article 20, which calls for a strategic approach to asset management as part of an overall asset recovery policy, is partial. Asset management is primarily regulated as a technical and administrative function, without clear integration into a wider strategy linking confiscation outcomes to crime prevention, victim support, or institutional capacity building, as envisaged by the Directive.

5.6 Asset Recovery Offices and Cooperation (Directive Articles 21–25)

Directive Articles 21 to 25 require Member States to establish or designate Asset Recovery Offices (AROs) with a clear mandate covering tracing, identification, and international

cooperation.

Kosovo has taken an important step through Kosovo Prosecutorial Council Regulation No. 01/2024 establishing the Asset Recovery Office. The Office's mandate covers assistance in tracing, freezing, confiscation, and international cooperation.

However, the ARO's role is primarily advisory and case-driven. The Directive envisages AROs as central strategic actors in asset recovery policy, including proactive information exchange and coordination beyond individual cases.

The assessment shows that Kosovo is partially aligned with Articles 21 to 23 of EU Directive 2024/1260, which require the establishment of Asset Recovery Offices with clearly defined mandates and competences. The creation of the Asset Recovery Office within the prosecutorial system represents an important institutional step towards meeting these requirements. The Office is mandated to support prosecutors in asset tracing, confiscation proceedings, and international cooperation, which corresponds to several core functions envisaged by the Directive.

However, the alignment remains partial, as the Asset Recovery Office's mandate is primarily advisory and case-driven, rather than proactive or strategic. With regard to Articles 24 and 25, which address strategic coordination and cross-border cooperation, Kosovo's framework also demonstrates partial alignment. While legal and institutional arrangements allow for international cooperation and information exchange, these activities are not embedded within a comprehensive national asset recovery strategy, nor is the Asset Recovery Office empowered to act as a central coordinating body for cross-border asset recovery efforts, as foreseen by the Directive.

5.7 Rights of Affected Persons and Remedies (Directive Article 26)

Directive Article 26 requires effective remedies and safeguards for persons affected by freezing and confiscation measures.

Kosovo's Criminal Procedure Code provides comprehensive procedural safeguards, including judicial review, access to remedies, and protection of defence rights.

The assessment indicates that Kosovo's legal framework is aligned with Article 26 of EU Directive 2024/1260, which requires effective remedies and procedural safeguards for persons affected by freezing and confiscation measures. National legislation provides for judicial oversight, access to legal remedies, and the protection of defence rights throughout criminal proceedings, ensuring that affected persons are able to challenge restrictive measures and seek redress in accordance with the principles set out in the Directive.

5.8 Strategic Asset Recovery Framework (Directive Chapter VI)

The Directive introduces asset recovery as a strategic policy function, requiring Member States to adopt a coordinated, system-wide approach.

Kosovo legislation does not currently provide for a unified asset recovery strategy or a central coordinating mechanism encompassing tracing, confiscation, management, and reuse.

The assessment shows that Kosovo's legal framework is not aligned with the requirements set out in Chapter VI of EU Directive 2024/1260, which introduces asset recovery as a strategic, system-wide policy function. Current legislation regulates individual components of asset confiscation and management but does not establish a unified strategic framework that links tracing, confiscation, asset management, reuse, and institutional coordination under a single policy vision. The absence of such a strategic framework limits the coherence and long-term effectiveness of asset recovery efforts and represents a significant gap in relation to the approach envisaged by the Directive.

Part 6. Conclusions and Recommendations

The analysis demonstrates that Kosovo's legal framework is partially aligned with EU Directive 2024/1260. Core elements such as confiscation following conviction, extended confiscation, and the basic institutional structures for asset management are regulated and operational. At the same time, the assessment identifies a number of substantive areas of non-alignment and partial alignment that limit the overall effectiveness and coherence of the asset recovery system.

In particular, Kosovo's legal framework does not provide for non-conviction-based confiscation as envisaged under Article 15 of the Directive, thereby limiting the ability of authorities to deprive offenders of illicit assets in situations where criminal proceedings cannot be concluded with a final conviction. In addition, national legislation lacks an explicit and unified legal basis for tracing and identification of assets as a distinct and continuous process, resulting in fragmented and case-driven application of tracing measures. The absence of a strategic asset recovery framework further weakens alignment, as current legislation does not link tracing, confiscation, asset management, and reuse of assets under a single policy vision, as required by Chapter VI of the Directive.

Beyond legislative gaps, systemic weaknesses persist in inter-institutional coordination, particularly between prosecutors, law enforcement authorities, the Asset Recovery Office, and the asset management authority. The role of the Asset Recovery Office remains largely advisory and reactive, rather than strategic and proactive. Finally, confiscation outcomes are not sufficiently integrated into broader policy objectives, including victim compensation, social reuse of confiscated assets, and long-term crime prevention, which are key elements of the Directive's approach.

6.1 Recommendations

In order to align Kosovo's legislation and institutional framework with EU Directive 2024/1260, it is recommended that the Government of Kosovo:

1. Introduce a clear and unified legal framework for tracing and identification of assets, explicitly defining this activity as a distinct, mandatory, and continuous phase of asset recovery applicable at all stages of criminal proceedings and, where appropriate, beyond conviction.
2. Establish a legal basis for non-conviction-based confiscation, in line with Article 15 of EU Directive 2024/1260, with clearly defined conditions, safeguards, and judicial oversight, in order to address cases where criminal proceedings cannot be concluded with a final conviction.
3. Strengthen the legal mandate and operational role of the Asset Recovery Office, enabling it to act as a central, proactive, and strategic actor across the full asset recovery cycle, including tracing, coordination, international cooperation, and contribution to policy development.
4. Enhance inter-institutional coordination by adopting binding procedures and cooperation protocols between prosecutors, law enforcement agencies, financial intelligence bodies, the Asset Recovery Office, and the authority responsible for the management of seized and confiscated assets.
5. Adopt a comprehensive strategic asset recovery framework, aligned with EU Directive 2024/1260, linking asset tracing, confiscation, management, reuse, and international cooperation under a coherent and system-wide policy approach.
6. Introduce a dedicated legal and policy framework for the social and public interest use of confiscated assets, in line with Article 19 of EU Directive 2024/1260, clearly defining eligible purposes, governance arrangements, transparency safeguards, and oversight mechanisms, with a view to maximising the societal impact of asset confiscation.
7. Strengthen the integration of confiscation outcomes into broader public interest objectives, including victim compensation mechanisms, social programmes, and reinvestment in crime prevention and institutional capacity building, supported by systematic data collection and public reporting on confiscation outcomes.



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