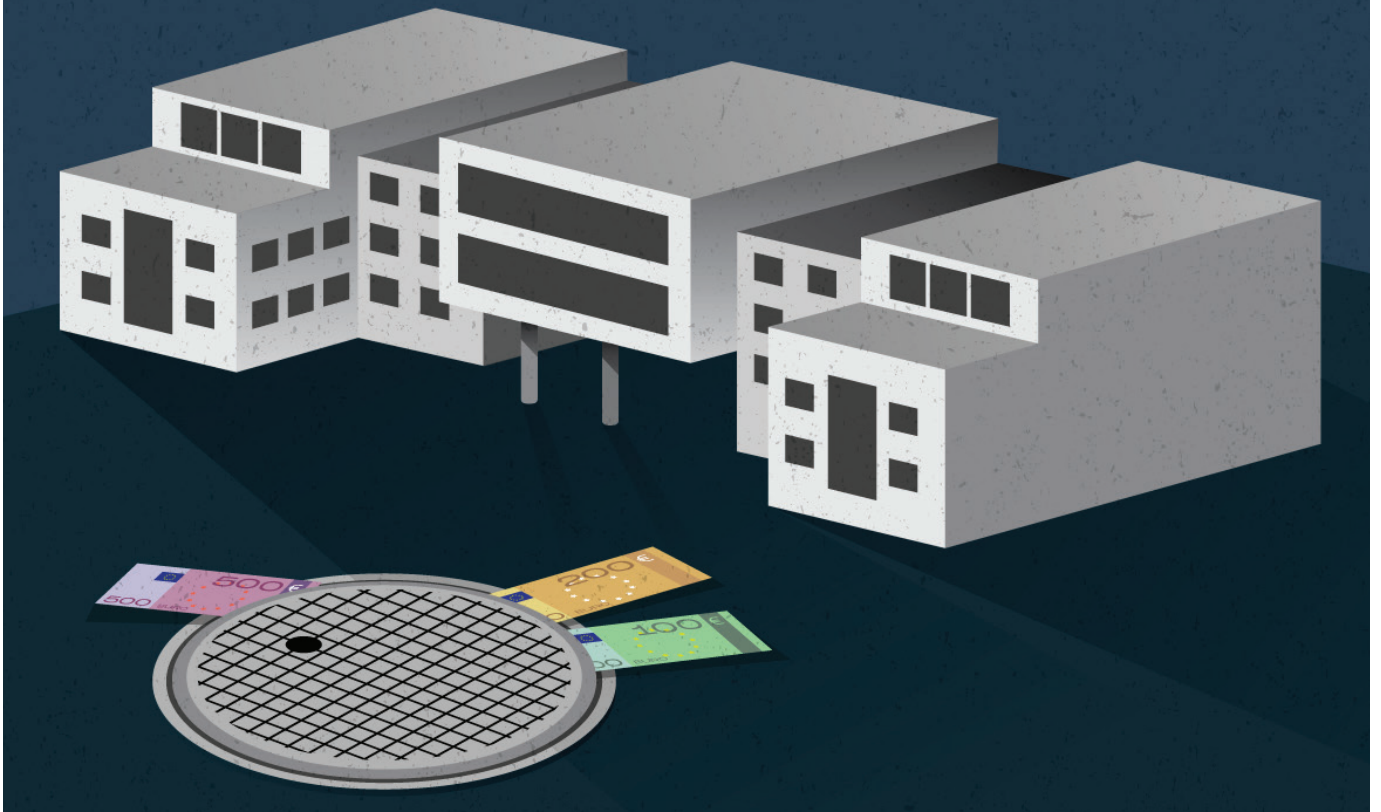


Preporthr

Rugova signs contract with his brother



Rugova signs contract with his brother

The Mayor of Istog, Haki Rugova, is accused of the criminal offense of conflict of interest because in 2014, the municipality had awarded a tender to his brother's company in the amount of almost 300 thousand euros, and the contract was signed by Rugova himself. The indictment in this case has been confirmed, although Rugova pleaded not guilty and the trial is expected to continue in the Basic Court in Peja.

Besa Kalaja

Haki Rugova has been one of the central figures of the Democratic League of Kosovo (LDK) and mayor of Istog since 2010. His election as mayor of Istog gave life to his political life. Last year, Rugova was a member of this political entity at the local level, whom few people knew at the central level, even though he was a close cousin of LDK founder Ibrahim Rugova. Today, all decisions in the party are made with his blessing, and he is also its vice president. It is believed that he came to power after nine years of holding one of the last strongholds of this political entity, i.e. the Municipality of Istog, which has been led by the LDK since after the war. In the last municipal elections, Rugova almost lost the municipality by going even in the runoff, and defeated his opponent, Gani Dreshaj of the Alliance for the Future of Kosova (AAK) by only 14 votes.

Rugova is an electrical engineer by vocation. Before the nineties he had worked as a teacher, as well as at the Shock Absorber Factory in Prishtina. From 1990 to 1999 he had a private business.

Rugova has been repeatedly accused by the opposition in the Municipality of Istog that in public affairs carried out with budget money in some cases he favored the business of his brother "Ma Con" sh.p.k. Investigations by the prosecution for the claims of the opposition and the media took place only in the case of the tender that

the municipality in 2014 had given to "Ma Con" sh.p.k. reaching the value of almost 300 thousand euros, for the construction of sewerage for the villages of Cërrcë and Lubozhdë. The indictment in this case came after the criminal report, which was filed by the Anti-Corruption Agency. This was done after BIRN and Internews Kosova reported on the case.

Rugova himself in the Anti-Corruption Agency had declared that he had shares in this company until 2013 when he gave them up. The Justice in Kosovo show had found in the forms of declaration of assets, presented to the Anti-Corruption Agency, that Rugova had declared shares in this company until 2016. In an interview given to this show, Rugova claimed that the shares were declared wrongly. However, his wife also works at this company, and Rugova's brother in Justice in Kosovo show in a way admitted that Rugova is still part of the company. The indictment was finalized in 2018, while this year it has been confirmed by both instances - by the Basic Court in Peja and by the Court of Appeals. Rugova is accused of having committed the criminal offense of conflict of interest under Article 424 of the Criminal Code of Kosovo (Chapter XXXIV). Haki Rugova pleaded not guilty at the indictment confirmation hearings. The hearing for the commencement of the main trial in this case has not yet been scheduled.

The indictment that charges Rugova with conflict of interest

According to the confirmed indictment, Haki Rugova is accused of signing a contract with his brother's company in the capacity of mayor.

The enacting clause of this indictment states that Haki Rugova is accused that acting as mayor of Istog, on August 1, 2014 he signed a contract with "Ma-Con" sh.p.k. for the construction of sewerage in Cërrcë and Lubozhdë. According to the indictment, at the time of signing the contract for the realization of construction works between the Municipality of Istog and "Ma-Con" sh.p.k. the director of the company was Gani Rugova and the contract value was 289.119.85 euros. In this way, the defendant has enabled his brother, Gani Rugova, financial interest. Therefore, he is charged of having committed the criminal offense of conflict of interest under Article 424 of the CCRK (Chapter XXXIV).

This factual situation, according to the indictment, is confirmed by the defense of the accused, by the statements of the witnesses, then by the material evidence and especially by the contract signed for the construction of the sewerage in Cërrcë-Lubozhdë which was signed by Haki Rugova and his brother, Gani Rugova, as a representative of the "Ma Con" sh.p.k.

Defendant Haki Rugova stated in his defense that all procedures related to the contract were conducted by the Procurement Office of the Municipality of Istog. He said that a public competition has been announced for the project, procedures have been developed as in all other cases, and the evaluation commission has made the selection. According to him, after the selection was made, there was a deadline for the complaints of the dissatisfied parties and as far as he can remember, in this case there were no complaints. Following that, the contract was signed between the municipality and the winning company. In the indictment, Rugova admits that he signed the contract with his brother's company, but he does not think that this is a criminal offense, a conflict of interest. He says in the indictment that he signed it because his purpose was to see the progress of the works. Rugova said that in 2014, he was neither the owner nor the co-owner of Ma Con, since he gave the shares he had in this company to his brother. Rugova said he did not take part in the decision-making - this work was done by the Procurement Office and was carried out as a standard procedure and in line with the law. He said that the works for the construction of the sewerage have been completed within the deadline.

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Rugova pleaded not guilty

In the hearings for confirming the indictment, Haki Rugova and his defense counsel, lawyer Besnik Berisha, presented their claims that Rugova is not guilty of the criminal offense for which he is accused.

In the January hearing, after the reading of the indictment by the prosecutor of the case, according to the monitor of Organization Çohu! Rugova stated that he does not feel guilty of the accusation with which he is charged by the Basic Prosecution in Gjakova.

Prosecutor Matjani stated at the hearing that he sticks to the legal qualification of the criminal offense and the indictment filed against Rugova, saying that all the proposed evidence will prove the guilt of the accused.

The defense counsel of the accused stated in this session that he would file a request for dismissal of the indictment and opposition to the evidence, in which case his defendant also supported him.

After the defendant pleaded not guilty, Judge Sylë Lokaj summoned him and his defense counsel to submit a request for dismissal of the indictment and opposition to the evidence within 30 days, and according to him, a special ruling will decide eventually for the second hearing.

In this hearing also took part the representative of the Municipality of Istog, Adem Avdijaj, who said that he does not agree with the criminal prosecution, as there is no harm caused to this institution.

At the March hearing too, Rugova and his lawyer objected to the indictment.

Lawyer Berisha, among other things, said that the Basic Prosecution of Gjakova has not yet learned to distinguish between the contract for supply and the contract for works, adding that “basic reading skills are needed to understand that the contract concluded between the Municipality of Istog and Ma-Con is not a supply contract or a service contract, but a works contract, as stated in its preamble”.

According to him, this category of contracts makes the signing of the mayor of Istog unnecessary, adding: “Therefore, the claim of the Prosecution that Mr. Rugova, with his signature, has decided regarding the validity of the contract between the Municipality and “Ma-Con”, it is completely unfounded”.

These requests by the defense of Rugova were opposed as unfounded by prosecutor Ramiz Buzhala, who replaced prosecutor Agron Matjani.

According to prosecutor Buzhala, when Rugova signed the contract in favor of “Ma-Con”, led by his brother,

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Gani Rugova, the former had personally participated in a case where a member of his family realizes financial interest, adding: “With this action, it paves the way for the realization of the contract for the benefit of his brother’s company, and with the signature of Rugova, the realization of the financial interest for his brother has been enabled”.

He also said that the defense’s claims that the accused had not taken any action that would result in a decision on this tender are not consistent, adding: “in this case we are dealing with a contract of great value in line with the Law on Public Procurement according to which a contract of great value is considered a supply contract or a service contract, the value of which is equal to or greater than or may be expected to be equal to 125 thousand euros, where in addition to the signature of the responsible procurement office the contract must also be signed by the main official of the contracting authority”.

According to him, the contract is in full compliance and falls within the framework of the Law on Public Procurement and that the claim of the defense that the contract signed by procurement manager Zize Bujupi, was applicable without Haki Rugova’s signature, is unfounded.

He asked the court to reject the request for dismissal of the indictment as unfounded.

The defense informed the court and the prosecution that in case of rejection of the request for dismissal of the indictment they will invite procurement expert Besim Mulaj, and will engage a financial expertise to refute the claims of the prosecution regarding the profit of financial benefit of Ma-Con company.

“The court considers that the indictment as such contains the formal elements as defined in Article 241 par.1 of the KCCP and the court considers that at this stage of the procedure, there is sufficient evidence to support a well-founded suspicion that the accused has committed the criminal offense for which he is accused”.

Defense claims are dismissed

Despite allegations by Rugova and his lawyer of his innocence, the indictment in this case was confirmed in the first week of April. The Basic Court in Peja has confirmed the indictment filed by the Basic Prosecution in Gjakova against the Mayor of Istog, Haki Rugova, for the criminal offense of conflict of interest.

The decision of the judge of the case Sylë Lokaj states that the request of Rugova’s defense counsel to dismiss the indictment against his client is unfounded, adding: “The court considers that the indictment as such contains the formal elements as defined in Article 241 par.1 of the KCCP and the court considers that at this stage of the procedure, there is sufficient evidence to support a well-founded suspicion that the accused has committed the criminal offense for which he is accused”.

The evidence provided during the investigation phase by the Basic Prosecution in Gjakova, according to Judge Lokaj, is admissible, and will be administered and evaluated during the main trial.

The defense has appealed against this decision to the Court of Appeals, which in turn confirmed this indictment and considered as unfounded the claim of the defense that the prosecution failed to argue the causal link between the signing of the contract and financial benefit for the defendant’s brother, Gani Rugova.

The Court of Appeal considered unfounded the other claim of Rugova’s defense counsel that at the time of signing the contract, the Municipality of Istog did not



The actions described in the indictment, for now contain essential elements of the criminal offense for which the accused Haki Rugova is accused, and the evidence proposed by the prosecutor for reading during the main trial, which support the well-founded suspicion for filing the indictment, will be considered in the main trial”.

have a deputy chairman and that all contracts, regardless of their value, went to Mayor Rugova for signing and that the contract for which Rugova is accused had been in force from the moment of signing by the procurement manager in the Municipality of Istog.

All these allegations were rejected by the Court of Appeals because the Basic Prosecution of Gjakova has sufficient evidence to support the well-founded suspicion - that Haki Rugova has committed a criminal offense for which he is accused.

The decision of the Appeal states: "The actions described in the indictment, for now contain essential elements of the criminal offense for which the accused Haki Rugova is accused, and the evidence proposed by the prosecutor for reading during the main trial, which support the well-founded suspicion for filing the indictment, will be considered in the main trial".

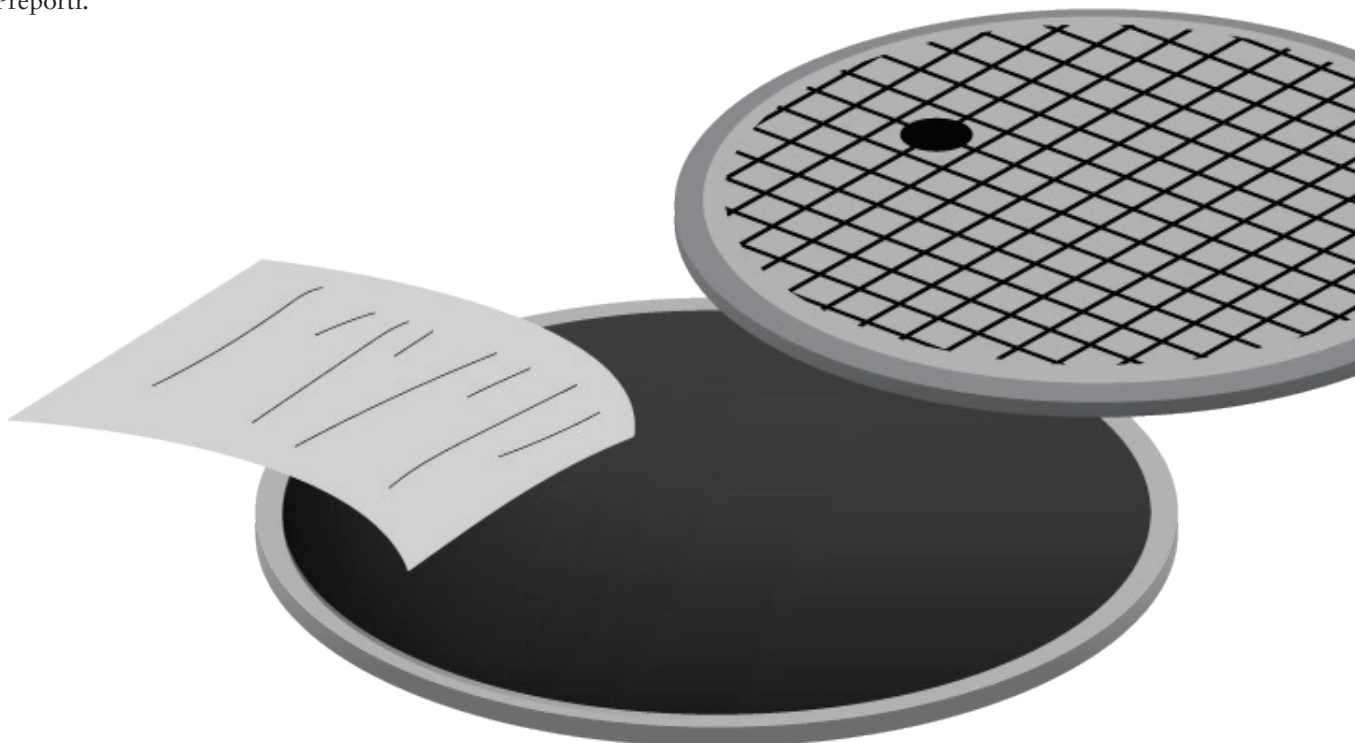
The Court of Appeal held that all evidence is admissible and supportive, which will be elaborated in the main trial. The court of second instance has concluded that the ruling of the Basic Court in Peja to reject the requests for dismissal of the indictment was fair and lawful.

Even after the confirmation of the indictment, lawyer Besnik Berisha insists that his client Haki Rugova is innocent.

"If we have a fair, objective court, it will be proven that in the case of Haki Rugova there are no elements of a criminal offense, i.e. a conflict of interest," he told Preportr.

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Rugova did not appear in court several times

The mayor of Istog, Haki Rugova, has failed to appear in court several times last year. This has led to several hearings being postponed. The monitor of Çohu!, Artan Sufaj, confirms that in the case of Haki Rugova, the hearings have been postponed several times.

The first hearing in this case, scheduled for May 7, 2018, failed due to the absence of Rugova, who requested that this hearing be postponed on the grounds that he had not yet appointed a defense lawyer.

Judge Sylë Lokaj said that the accused would be assigned a defense counsel ex officio, if he did not do so.

Rugova also did not appear at the hearing scheduled to be held on May 21, although according to Judge Lokaj, he was duly invited but his absence was not justified. Judge Lokaj had warned that if the defendant did not respond, he would be summoned by order.

The hearing of September 10 last year failed not because of Rugova but because of his lawyer, Besnik Berisha. He was not provided with all the case file and in order to prepare the defense he had requested the postponement of the hearing for another day.

The hearing of November 5 last year was not held because Rugova had informed the court that he was on an official trip and the trial judge, Sylë Lokaj, was participating in an official training.

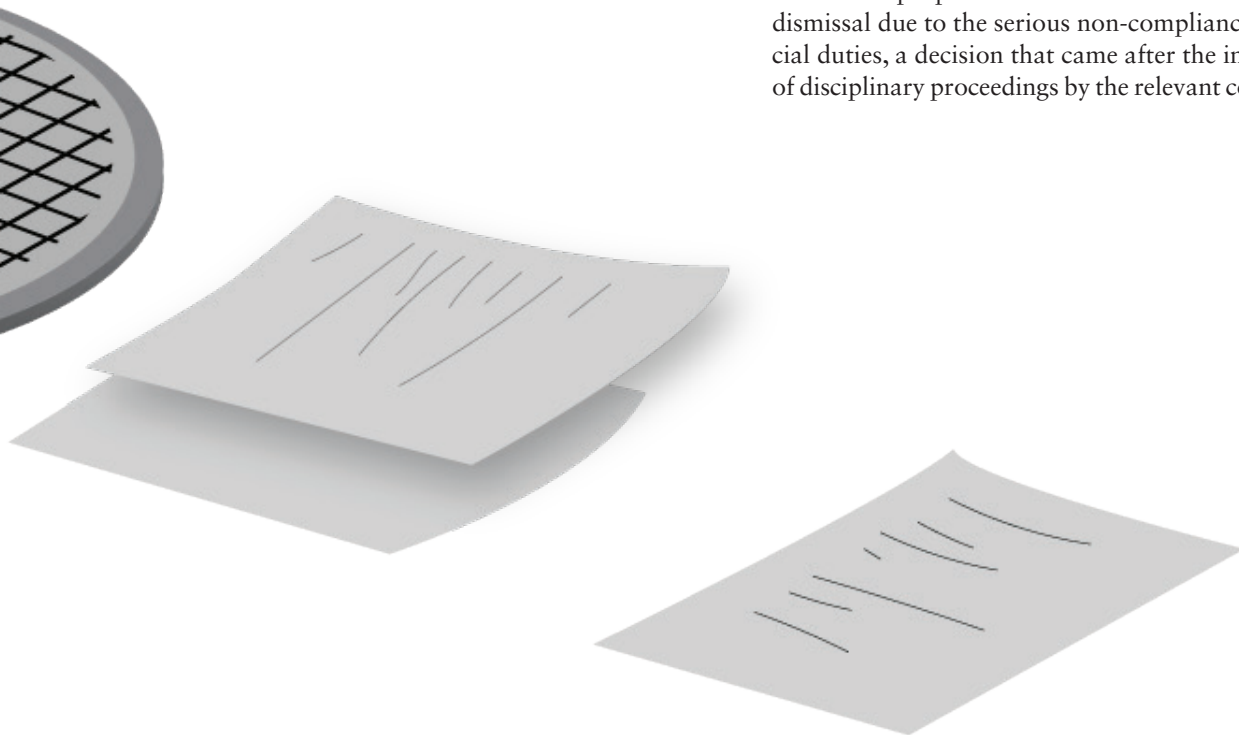
Problems with prosecutors

The case against the mayor of Istog, Haki Rugova, was initially sent to the Basic Prosecution in Peja, respectively to the prosecutor Haxhi Sinanaj. On January 17 2018, Prosecutor Sinanaj wrote a letter to the Chief Prosecutor of the Basic Prosecution in Gjakova, Ali Selimaj, and after consulting with the Chief Prosecutor of the Appellate Prosecution, Haxhi Dërguti and Agim Kurmehaj, the case was delegated to the Basic Prosecution in Gjakova.

Prosecutor Sinanaj in his letter wrote: “The reason for sending this case to another prosecution is because we have known Haki Rugova for a long time and have good social relations, so in order to have a fair and independent investigation, after consulting with the Chief Prosecutor of Appeal and the Chief Prosecutor of the Basic Prosecution in Gjakova, we agreed to send this criminal case to the Basic Prosecution in Gjakova”.

The case was assigned to prosecutor Agron Matjani, but he did not represent him in all cases. After the investigation was carried out against him (Matjani), he was replaced by another prosecutor, also from the Basic Prosecution in Gjakova, Ramiz Buzhala, who represented the case in question only once, and that in the hearing of March. It remains to be seen who will represent the indictment in this case in the main trial, whether it will be Buzhala or yet another prosecutor.

Prosecutor Matjani, appointed to represent this case, was dismissed by the Kosovo Prosecutorial Council (KPC) on May 10, 2019. This institution had taken the decision to propose to the President of the country his dismissal due to the serious non-compliance with official duties, a decision that came after the introduction of disciplinary proceedings by the relevant commission.



Rugova's wealth and his connections with "Ma Con", sh.p.k.

Preportr has seen all the declarations of Haki Rugova's assets in the Anti-Corruption Agency, from 2010 to 2019. His assets have not changed much over the years, but he has not stated since 2013 that he is one of the shareholders in the company now run by his brother, "Ma. Con", sh.p.k.

According to the declaration of assets of 2010, Rugova had 33.3 per cent of the shares in this company. In the next two years he had 15 percent of shares in the company. Although he officially gave the shares to his brother, Rugova did not sever all ties with the company in question. According to the declaration of assets, his wife has been working for the company since 2010.

The municipality of Istog has been accused by the opposition in this municipality of favoring "Ma Con" in several other cases as well. One case addressed by Preportr has to do with the construction of the Ibrahim Rugova Memorial in the city center. Initially, the tender for the construction of this memorial was awarded to "Intering" company, run by the brother of the former LDK assembly member in this municipality, Hajrush Shoshi, who in this term leads the Directorate of Education. Also, the concrete used for the construction of this square came from the company run by the relatives of the Mayor of Istog, Haki Rugova, "Ma Con", sh.p.k. Hajrush Shoshi himself confirmed this in an interview given to Preportr.

The opposition in this municipality had sent the case to the prosecutor's office, but the prosecution had stopped the

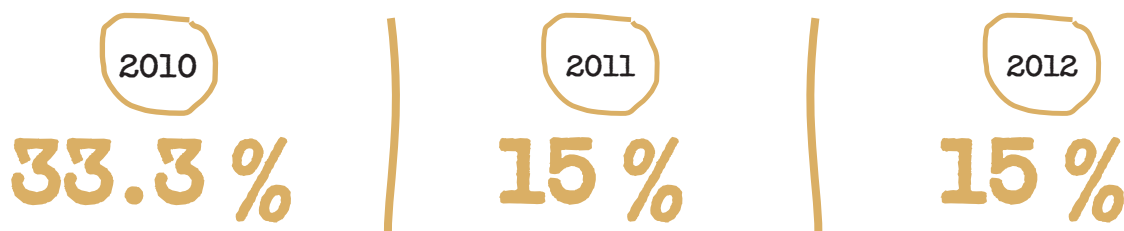
investigation because, according to them, in this case there were no elements of the criminal offense of conflict of interest.

Ma-Con was also favored in several other cases. An investigative report carried out by "Justice in Kosovo", which served the Anti-Corruption Agency for filing criminal charges finalized with an indictment by the prosecution, shows how since 2013 when Haki Rugova was chief executive in the Municipality of Istog, "Ma Con" had built a seven-story building on municipal property. On municipal property, this company also carries out quarrying activities. According to data obtained by Preportr, "Ma Con" during 2009-2018 received two licenses for the use of solid stone (quarry).

Florin Dreshaj, former assembly member of Vetëvendosje in the municipality of Istog says that opposition parties reacted in all cases favoring the family of Rugova in public works, but their reactions were never taken into account.

"There are cases when a tender was won by another company, but the works were carried out by Ma Con as in the case of the memorial. We sent this case to the prosecutor's office, but nothing happened. In this case, the prosecution closed the investigation with the claim that they have not found a conflict of interest", he said.

Haki Rugova's shares in "MA. Con"



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