In: KSC-BC-2020-05/R001/IA001

The Prosecutor v. Salih Mustafa

Before: A Panel of the Court of Appeals Chamber

Judge Michèle Picard

Judge Kai Ambos

Judge Nina Jørgensen

Registrar: Fidelma Donlon

Filed by: Anni Pues, Victims' Counsel

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Victims' Counsel's Response to Mustafa's appeals submissions

Victims' Counsel Counsel for Mustafa

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I. INTRODUCTION AND PROCEDURAL HISTORY

- 1. On 16 July 2025, the Single Judge issued a Decision on the Payment of Interest by Salih Mustafa in relation to Reparations, finding that Mustafa failed to comply with the reparations order, informs Mustafa that an interest rate of 8% per annum starts to accrue going forward, and that interest is applied annually to the outstanding amount of reparations. Mustafa was granted leave to appeal this decision and filed his appeal on 7 September 2025 within the time limit set by the Appeals Panel.
- 2. Previously to this decision and after the Appeals' Panel had confirmed Mustafa's conviction, Victims' Counsel had requested the Single Judge to set a date for the payment of reparations by Mr Mustafa and underlined the importance of the payment of statutory interest on the amounts owed for reparations.³ Mustafa failed to make any submission or engage with the reparations process from the start, he neither made submissions on Victims' Counsel's request regarding interest payments nor did he subsequently make any submissions.⁴
- 3. In this response to the appeal, Victims' Counsel will address the four appeals issues as rephrased by the Single Judge and, in as far as Mustafa raises additional aspects such as questions of indigence, Victims' Counsel will only respond to those in as far as deemed appropriate.

¹ KSC-BC-2020-05/R001/F00032, Decision on the Payment of Interest by Salih Mustafa in Relation to Reparations, 16 July 2025 (hereafter: Decision on the Payment of Interest).

² KSC-BC-2020-05/R001/IA001/F00003, Decision on Defence Request for Extension of Time to File Appeal, 1 September 2025.

³ KSC-BC-2020-05/R001, F00003/RED, *Victims' Counsel, Request to Set a Date for Payment of Reparations,* 19 January 2024, confidential, para. 7(c).

⁴ KSC-BC-2020-05/R001/F00032, Decision on the Payment of Interest, paras 3-11 with further details.

II. SUBMISSION

(1) Whether the Single Judge Panel erred in determining that an interest rate applies to the part of the Reparation Order which has not been executed yet by Mr. Mustafa, and up until the Reparation in Order is paid in full.

- 4. Mustafa contends that no legal basis in the applicable Law of the Specialist Chambers exists for the payment of interest on the reparations ordered and due.⁵
- 5. Mustafa is wrong. Although the Law has no specific provision related to default interest on reparations due, this does not mean that no legal foundations for default or statutory interest exists. Article 3 (2) of the Law on the Specialist Chambers and the Specialist Prosecutor's Office⁶ provides that the Specialist Chambers shall adjudicate in accordance with the Constitution of the Republic of Kosovo⁷, customary international law, and international human rights law, which provide a source for the application of interest on overdue reparations.
- 6. Payment of interest is part of the right to full reparation under customary international law and part of international human rights law. Additionally, payment of such interest is incorporated into the European Convention of Human Rights (ECHR) and regularly awarded by the European Court of Human Rights; the ECHR, in turn, is directly applicable in Kosovo according to article 22 of the Constitution.

⁵ KSC-BC-2020-05/R001/IA001/F00004, Mustafa's submissions in appeal with regard to the Decision on the Payment of Interest, 7 September 2025, para 16.

⁶ Hereafter: 'the Law'.

⁷ Hereafter: 'the Constitution'.

7. A key source for the principle of full reparations in international law is the Permanent Court of International Justice's judgment in the *Factory at Chorzów* case:

(R)eparation must, as far as possible, wipe out all the consequences of the illegal act and reestablish the situation which would, in all probability, have existed if that act had not been committed. Restitution in kind, or, if this is not possible, payment of a sum corresponding to the value which a restitution in kind would bear; the award, if need be, of damages for loss sustained which would not be covered by restitution in kind or payment in place of it - such are the principles which should serve to determine the amount of compensation due for an act contrary to international law.⁸

- 8. This decision, reiterated many times in the case law of international courts and tribunals, forms the foundation for the current understanding of full reparations. The sum awarded in reparations is not only a simple figure but represents the value of restitution; correspondingly, a mechanism must be inbuilt, which preserves the value of the award.
- 9. The International Court of Justice (ICJ) in the case of *Republic of Guinea v*Democratic Republic of the Congo illustrates this well when finding that 'the award of post-judgment interest is consistent with the practice of other international courts and tribunals'. Although the ICJ case was a case of state responsibility, it concerned human rights violations to an individual,

⁸ PCIJ, Factory at Chorzów (1928) para. 47. Emphasis added by author.

⁹ See International Law Commission, 'ARSIWA Commentaries', 38 Commentary (1).

¹⁰ ICJ in Republic of Guinea v Democratic Republic of the Congo, Compensation Owed by the Democratic Republic of the Congo to the Republic of Guinea [Judgment of 19 June 2012, para 56 (hereafter: Diallo) with further reference to Saint Vincent and the Grenadines v. Guinea, judgment of 1 July 1999, ITLOS, para. 175; Bámaca-Velásquez v. Guatemala, Judgment of 22 February 2002 (reparations and costs), IACHR, Series C, No. 91, para. 103; Papamichalopoulos and Others v. Greece (Article 50), application No. 33808/02, Judgment of 31 October 1995, ECHR, Series A, No. 330-B, para. 39; Lordos and Others v. Turkey, application No. 15973/90, Judgment of 10 January 2012 (just satisfaction), ECHR, para. 76 and dispositif, para. 1 (b).

- Ahmadou Sadio Diallo. For the ICJ, payment of post-judgment interest is part and parcel of the right to full reparation.
- 10. To emphasise the role of the individual human and the right to reparations for each human, Judge Cançado Trindade penned a Separate Opinion to this judgment detailing that the right to full reparation applied first and foremost to the individual harmed. Based on an impressive historic overview and survey of international human rights tribunal decisions, he explained that 'it had been understood that the human person "embodied" humanity, and a damage done to him/her was a wrong, which required reparation.' ¹¹
- 11. In contemporary international law, specifically international human rights law, this understanding underpins the application of the right to full reparations against individual perpetrators or wrongful acts, as physical persons are directly accountable for breaches of international obligations under international criminal law. In turn, also, victims of wrongful acts are entitled to full reparations as a rule of customary law.¹²
- 12. The right to reparation, as reiterated in article 22 of the Law, is therefore to be understood as including interest in cases in which the person or entity responsible for the harm done for the payment of reparation fails to comply with their obligation. As Mustafa has failed and continues to fail his obligation to honour the reparations award, post-award interest is triggered to ensure that the value of the award does not diminish.
 - (2) Whether the Single Judge erred in determining that such an interest rate should be eight percent (8%) per annum

¹¹ Separate Opinion of Judge Cançado Trindade, available at https://www.icj-cij.org/sites/default/files/case-related/103/103-20120619-JUD-01-01-EN.pdf with further references.

¹² C. Evans, *The right to reparation in international law for victims of armed conflict* (Cambridge University Press, 2012) chap. 2.8. A customary right to reparation?.

- 13. Based on his assertion that no legal basis for default interest existed in the first place, Mustafa argues that an interest rate of 8% was also legally erroneous.¹³
- 14. As has been shown above, interest is part of the concept of full reparation in customary international law and international human rights law. However, there is no unified interest rate in international law that would be applicable across jurisdictions. Instead, the rate of interest and the modalities are to be determined on a case-by-case assessment. The reason for that is that each case needs to adhere to the principle of proportionality and be reflective of the harm done in the individual circumstances.
- 15. The practice of the European Court of Human Rights (ECtHR) is particularly relevant in this case considering the incorporation of the ECHR into the Constitution. To understand, how the principle of proportionality operates, the *Söring* case is instructive, where the Court defines it as the principle 'inherent in the whole of the Convention, that is, search for a fair balance between the demands of the general interest of the community and the requirements of the protection of the individual's fundamental rights.' ¹⁵
- 16. Essentially, it is therefore important to ask what is fair in the enforcement of the reparations award within the Kosovo context. For illustration of what is considered fair post-judgment interest, the practice of international courts and tribunals and the approach in Kosovo are to be taken into consideration to review whether an interest rate of 8% *per annum* in this case of reparations for war crimes is justified.
- 17. In the above cited *Diallo* case, the ICJ decided that 'should payment be delayed, post-judgment interest on the principal sum due will accrue as from

¹³ Mustafa Appeal, para 31-32.

¹⁴ The 'Wimbledon' [Government of His Britannic Majesty v German Empire] PCIJ Series A No 1, 32; M/V 'SAIGA' [No 2] [Saint Vincent and the Grenadines v Guinea] [Merits] [Judgment] ITLOS Case No 2 [1 July 1999] 1999 ITLOS Reports 10 para. 173; Case A19 [Iran v United States] [Decision] 1986 16 Iran-United States Claims Tribunal Reports 285, 289–90.

¹⁵ ECtHR, Soering v. the United Kingdom (1989) para. 89.

- 1 September 2012 ... at an annual rate of 6 per cent. This rate has been fixed taking into account the prevailing interest rates on the international market and the importance of prompt compliance.'16
- 18. The ECtHR operates with three-month time limits after which the judgment becomes final and binding in terms of payment and issues orders for default interests.¹⁷ The interest rate usually corresponds to the marginal lending rate of the European Central Bank during the default period plus three percentage points.¹⁸ If this rate has changed during the default period, the calculation is to be made on the basis of the various rates applicable during that time.
- 19. Important to note is that a key aim in the practice of the ECtHR is to ensure that economic devaluation is prevented. Henceforth, in a case against Turkey at the time a country struggling with extreme levels of inflation the ECtHR awarded pecuniary damage in US Dollars instead of Turkish Lira and set the 'default interest on the sums awarded in US dollars at the annual rate of 5.5%.' 19
- 20. The Inter-American Court of Human Rights (IACtHR) similarly decides on a case-by-case basis, even incorporating mechanisms to protect devaluation of monetary awards. The Court has a practice of awarding the default bank interest rate of the country concerned;²⁰ 'if the State were to be in arrears, it

¹⁶ ICJ in Diallo, para 56.

¹⁷ Elisabeth Lambert, Ezgi Özlü, *Just Satisfaction: European Court of Human Rights* (ECtHR), Max Planck Encyclopaedia of International Law, para 51, https://opil.ouplaw.com/display/10.1093/law-mpeipro/e3726.013.3726/law-mpeipro-e3726.

¹⁸ ECtHR, *CASE OF AŽDAJIĆ v. SLOVENIA*, application no. 71872/12, Judgment, 8 October 2015, para 81

¹⁹ ECtHR, AKA v. TURKEY, (107/1997/891/1103), Judgment, 23 September 1998, para 61.

²⁰ See only INTER-AMERICAN COURT OF HUMAN RIGHTS, CASE OF MARIA ET AL. V. ARGENTINA

JUDGMENT OF 22 AUGUST 2023 (Merits, Reparations and Costs), para 223; para 166 available at https://www.corteidh.or.cr/docs/casos/articulos/seriec_494_ing.pdf

- must pay interest on the amount owed according to the interest rate for arrearages in the Argentinean banking system.'21
- 21. A central component of the case law across different international jurisdictions is to prevent depreciation of pecuniary awards, tying the interest in general to applicable banking rates. Within the ECHR system, a key economic indicator are the European Central Bank rates, in the IACtHR the national banking rates. These provide an adequate reflection of economic conditions.
- 22. In this case, it is therefore critical to test the Single Judge's decision against what the domestic system in Kosovo provides. What are the banking interest rates applicable in Kosovo? How would the award be treated if issued by a domestic civil court?
- 23. Kosovo does not have an interest rate policy that is tied to the European Central Bank interest rate system. Instead, the Central Bank of Kosovo regulates late payments on credit instruments. For commercial transactions, the bank determines reference interest rates, the fixed rate and legal interest.²² The statutory interest for late payment is simple interest for late payment at a rate which is equal to the sum of the reference interest rate and the interest rate which is at least eight (8) percentage points.²³ This legal interest rate is currently set at 14.01% whereas 8% are clearly the base line always applicable. However, the statutory higher rate would be the rate that should be applied if transferring the logic of the ECtHR or the IACtHR in full to this case.

²¹ IACtHR, Case of Bulacio v. Argentina, Judgment of September 18, 2003 (Merits, Reparations and Costs) para 162. See another example for Paraguay, Case of the "Juvenile Reeducation Institute" v. Paraguay, Judgment of September 2, 2004 (Preliminary Objections, Merits, Reparations and Costs), para 23

²² See for an overview the homepage of the Central Bank of the Republik of Kosovo at https://bqk-kos.org/mbikeqyrja-financiare/mbikeqyrja-bankare-2/kamatevonesat-ne-instrumentet-kreditore/?lang=en.

²³ See the Homepage of the Central Bank of Kosovo with reference to Article 3 of Law No 05/L-110.

24. However, the Single Judge correctly also considered the legislative context in Kosovo to conduct the case-by-case assessment that is required to give full effect to the right to reparations. Having engaged with the banking interest rates, it becomes clear that the Law on Obligations²⁴, as taken into account by the Single Judge, operates as a baseline provision for all legal obligations, while commercial transactions follow specialised rules. Therefore, interest rates are set at 8% in the Law on Obligations, whereas other Kosovo case law does feature higher interest rates of 12 or even 20%.²⁵

25. The Single Judge finds:

While, for the reasons espoused in paragraph 19 of this decision, the Single Judge is not bound by the Kosovo Law on Obligations, he nevertheless notes that this is the interest rate that Mr Mustafa and the victims would typically expect to pay/be paid for delay in the performance of any other pecuniary obligations they may owe/be owed in Kosovo. Being further mindful that the SC's legal framework is silent on this issue, the Single Judge considers that, for reasons of foreseeability and legal certainty, and to safeguard victims' interests, the same interest rate should apply to delays in executing the Reparation Order. The Single Judge thus finds that the interest rate to be paid by Mr Mustafa in this regard shall amount to eight percent (8%) per annum. ²⁶

26. The Single Judge made clear that he does not consider the Law on Obligations to be directly applicable. However, this very case considered by another Kosovo Court would trigger interest as provided for in the Law of Obligations. It is therefore a proportionate and fair approach in safeguarding the right to full reparations to apply the same interest rate.

²⁴ Law No. 04/L-077 On Obligational Relationships.

²⁵ The Constitutional Court of the Republik of Kosovo, Judgment in case No. KI74/19, Constitutional review of Judgment E. Rev. No. 39/2018 of the Supreme Court of Kosovo of 8 January 2019, available at https://gjk-ks.org/wp-content/uploads/2021/06/ki 74 19 agj ang.pdf as an example with references to further case law.

²⁶ KSC-BC-2020-05/R001/F00032, para 23.

27. The Kosovo Law on Obligations further suggests that it was the legislative intent to regulate all obligational relationships. Article 1 (1) provides that '(t)he present Law contains the basic principles and general rules for all obligational relationships.' The legislator made their intent – to provide a general regulatory framework for all obligatory relationships – even clearer in article 14 in regulating that the law applies analogously, when and if necessary. Article 14 states:

For relations for which the present law does not have any particular provision, provisions of similar legal relations shall apply mutatis mutandis and in absence of such provisions the principles that derive from the basis of legal order and good custom shall apply.

- 28. Materially, Mustafa's obligation to pay compensation as reparation for arbitrary detention, torture and murder falls within the remit of the Law on Obligations, as article 183 ff provide for rules in case of death, injury and damage to health. It is only for procedural reasons because the Law on Obligations has not been included within the legal framework of the KSC that these provisions do not directly apply. It is within this context, that the Single Judge correctly considered the material provisions of the Law on Obligations as guidance what in this case could be deemed appropriate.
- 29. The Kosovo Law on Obligations clearly aims to set incentives to encourage compliance with obligations. The ECtHR similarly aims to infuse compliance with its judgments by finding on post-judgment interest rate. At the ECtHR, however, the assumption is that the state parties to the Convention will apply. In Kosovo, the domestic legislator is clear and strong in signalling that it expects all obligations under Kosovo Law to be performed and follows suit with interest rates that aim for such compliance.
- 30. In addition to the above cited provisions, the Law on Obligations further sets out:

I. GENERAL RULES

Article 245

Performance of obligations and consequences of non-performance

- 1. The creditor shall be entitled to demand the performance of the obligation by the debtor, and the debtor shall be obliged to perform it in good faith in all aspects as declared.
- 2. If the debtors fails to perform the obligation or is late in performing it the creditor shall also be entitled to demand the **reimbursement of damage incurred**²⁷ thereby for this reason.

DELAY IN PERFORMANCE OF PECUNIARY OBLIGATIONS PENALTY
INTEREST

Article 382

Penalty interest

- 1. A debtor that is in delay in performing a pecuniary obligation shall owe penalty interest in addition to the principal.
- 2. The interest rate for penalty interest shall amount to eight percent (8%) per annum, unless stipulated otherwise by a separate act of law.

Article 384

Right to full compensation

- 1. The creditor shall have the right to penalty interest irrespective of any damage incurred thereby owing to the debtor's delay.
- 2. However if the creditor has incurred damage owing to the debtor's delay that is greater than the sum that would be obtained at the account of penalty interest the creditor shall have the right to demand the difference up to full compensation.
- 31. 8% of annual interest on late payment is the baseline that the Kosovo legislator envisages. It is therefore fully in line with the approach taken in international

²⁷ Empasis added by author.

tribunals to defer to this domestic context and apply an interest rate of 8% *per annum*.

- 32. One last point to make on this issue is Mustafa's contention that the interest would be a penalty as in a punishment invoking the protection of fair trial provisions in article 6 of the ECHR.²⁸ Victims' Counsel cannot assess at this point, whether the Kosovo-Albanian words for default and penalty interest are the same. However, as has been shown above, the law applicable at the KSC clearly allows the setting of interest rates. The 8% are the fixed rate of the Kosovo Central Bank. Although the Law on Obligations labels the interest rate as a penalty, it in fact is not a punishment as such. Instead, it is akin to what is called default interest at the ECtHR. It is an instrument that serves to enforce compliance in combination with securing full reparations by safeguarding the value embodied in the award.
 - (3) Third Reformulated Issue: Whether the Single Judge erred in determining that the established interest rate starts to accrue as of the date on which the Impugned Decision was notified to Mr. Mustafa
- 33. Mustafa argues that the Single Judge erred regarding the point of time, when interest is due. He contends that

(t)he correct date can only be at the time when the decision of the Single Judge Panel has established that Mustafa has deliberately not compensated the victims even though he is capable of doing so. That moment yet has to be established.²⁹

34. The point of time at which interest starts to accrue has nothing to do with the intent of the debtor, which Mustafa seems to suggest when referring to

²⁸ Mustafa Appeal, para 34.

²⁹ Mustafa Appeal, para 50.

- 'deliberately' not compensating. There is no legal basis for Mustafa's submissions at all.
- 35. The survey of jurisdictional practices has shown a picture which differs across the board and depends on the specific circumstances of the cases. As with the interest rate, it is argued here that the Law on Obligations provides guidance as to the time, when interest starts to accrue, not in direct but analogous application, as the Kosovo legislation leaves a gap that can and must be filled this way.
- 36. In the context of material damage, the Law on Obligations provides in article 170 that the 'obligation to compensate shall be deemed to have fallen due at the moment the damage occurred.' This would suggest that the due date and with it the moment from which onwards interest accrued could go back to 1999. However, the reparations order reflects the special circumstances of the case, including the long passage of time. Therefore, it can be argued that application of article 170 would not reflect the circumstances of the case. When no due date is set, article 295 stipulates:

If no deadline is stipulated and the purpose of the transaction, the nature of the obligation and other circumstances do not demand a specific deadline for performance the creditor may demand immediate performance of the obligation, and the debtor may demand that the creditor immediately accept performance.

37. The nature of the obligation – repairing harm done through violent crime – indeed demands immediate performance. Justice for victims in this case has been delayed for decades and the harm done accumulated. However, the Single Judge has applied the most advantageous approach possible for Mustafa in linking the date at which interest starts to accrue with the impugned decision on interest. If anything, the Single Judge has been extremely fair to Mustafa rather than the decision showing any breaches of fair trial provisions of concern to Mustafa.

- 38. As Victims' Counsel is merely responding to Mustafa's appeal, she refrains from suggesting alternative due dates that could be justified. However, she instead limits herself to emphasise that Mustafa's submissions are without any legal foundation.
- 39. Considering some of Mustafa's submissions on indigence³⁰, though, Victims' Counsel wants to emphasise that Mustafa has done nothing to honour his debt. Indeed, he actively undermined the indigence assessment, which was conducted by the Registry to assess the possibilities of applications to the Crime Victim Compensation Fund in Kosovo I order to identify additional sources for payment of reparations.³¹ The indigence assessment is based mainly on information publicly available.
- 40. Based on information and observations that were brought to the knowledge of Victims' Counsel, Mustafa may on paper be indigent. However, it does seem a rather atypical situation that Mustafa, who seemed to have been the main earner in the family up until the date of his imprisonment, does not at least co-own the family property or any of the vehicles used by the family.
- 41. Mustafa's submission on two separate interest rates³² lack any legal foundation either in Kosovo's law or internationally. If anything, they undermine the victims' right to full reparations.

³⁰ Art 245 (4) of the Law on Obligations: 'The debtor shall also be liable for the partial or full incapacity to perform, even if not culpable, if it occurred when there was a delay for which the debtor was responsible.'

³¹ KSC-BC-2020-05/R001, F00014, Registrar, Registrar's Request for Order to Mr Mustafa to Cooperate for the

Purposes of the Indigence Assessment (Registrar's Request for Order),10 May 2024, confidential and *ex parte*, paras 10-12, with Annexes 1-2, confidential and *ex parte*. A confidential redacted version was filed

on 25 October 2024, F00014/CONF/RED. A public redacted version was filed on 14 March 2025, F00014/RED; KSC-BC-2020-05/R001, F00023/RED, Single Judge, *Public Redacted Version of Decision on Salih Mustafa's Refusal to Comply with his Obligations Pursuant to the Reparation Order and on the Registrar's Request for Orders to [REDACTED] for the Purpose of the Indigence Assessment, 15 July 2025.*32 Mustafa appeal, para 56.

- (4) Fourth Reformulated Issue: Whether the Single Judge erred in determining the modalities of the calculation of the established interest rate, as set forth in paragraph 29 of the Impugned Decision
- 42. Mustafa's submissions suggest some unnecessary confusion, as they seem to simply misunderstand the modalities of the reparations payments. Mustafa seems to assume that some victims will receive the full award sooner than others.³³
- 43. Victims receive any reparations payments on a *pro rata* basis. Hence, all of them will at the same time have received a specific percentage of their award no matter how small or large. Clearly, the submission seems to hinge on some misunderstandings that Mustafa's Counsel may clarify with the Registry as the entity dealing with the technical administration of reparations enforcement. It is not Victims' Counsel's role nor is the appeals response the correct place to spell out, what the Single Judge envisaged and how *pro rata* payments are administered.
- 44. In Victims' Counsel's view, Mustafa offers no legal reasoning that would substantiate that the Single Judge erred, as everything hinges on the misunderstanding that some victims may receive full payment sooner than others.
- 45. Indeed, the Single Judge provided the calculation method that is most advantageous for Mustafa, as any partial payment would initially be paid on the primary debt and be distributed *pro rata*. Henceforth, any payable interest would be determined subsequently and based on the annual calculations and payments.

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³³ Mustafa appeal, para 61-62.

46. Lastly, in as far as Mustafa suggests an alternative path of payment, these appeals proceedings are not the place for a discussion of such a rather hypothetical scenario and would not justify suspension of the appeals proceedings. Mustafa may pursuit negotiations with the Ministry of Justice for such arrangements. It would be the Single Judge's remit as it concerns the enforcement of the reparations award rather than be an appeals issue.

III. RELIEF REQUESTED

47. Victims Counsel requests that

the Appeals Panel dismisses the appeal in full.

IV. CLASSIFICATION

48. This filing is submitted as public in response to the public appeals brief.

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Anni Pues

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17 September 2025

At The Hague, the Netherlands