

Customs data, VAT (0.05%) and customs tax (0.01%) on menstrual hygiene products comprised a meagre 0.065% of the total annual customs revenues. Thus, the government stands to gain very little from taxing these essential products, while placing a significant burden on women and girls who are among the most vulnerable economically. By contrast, removing the tax would send a powerful message that menstruation is a normal bodily function and should not be a source of shame or financial hardship.

The Solution: Follow the UK's Lead

Kosovo should follow the UK's⁷ lead in abolishing the "tampon tax" on sanitary products. The UK implemented a zero VAT rate on these essential items, making them more affordable for all women. This change aligns with their wider strategy to combat period poverty, which also includes providing free products in schools and hospitals. Previously bound by EU law mandating a minimum 5% VAT on sanitary products, the UK's move was possible after the end of the transition period. Kosovo could enact similar legislation with a zero VAT rate, ensuring affordability and considering a Menstrual Hygiene Fund to support vulnerable women.

Alternative Revenue Options

Lost revenues from removing taxes on menstrual products can be offset by increasing taxes on luxury cars and excise taxes on alcohol. Taxing luxury cars targets individuals who can afford it and is in line with the polluter pays principle.⁸ Raising excise taxes on alcohol would generate significantly more revenue than taxes on menstrual products.

Recommendation

In accordance with government obligations to implement GRB, the Ministry of Finance, Labour, and Transfers should urgently amend Law no. 05/L-037 on Value Added Tax, as well as the Administrative Instruction MoF No. 03/2015 for Implementing the Law No. 05/L-037 on Value Added Tax, to exempt menstrual hygiene products from all customs and VAT taxes. Further, it should prohibit businesses from increasing prices following tax removal by creating a decision or regulation through which supervisory mechanisms are set. The government should actively monitor businesses to ensure compliance with this regulation.

⁷ Government of United Kingdom, [News Story "Tampon tax abolished from today"](#).

⁸ The polluter pays principle states that those who produce pollution should bear the costs of managing it to prevent damage to human health or the environment.