

# STRATEGY AND ACTION PLAN 2020 – 2025

## DEVELOPMENT OF EMPLOYABLE HUMAN RESOURCES IN PRIZREN REGION



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# Content

Summary.....	3
<b>I. THE PROFILE OF PRIZREN REGION.....</b>	<b>5</b>
<b>1.1 Territory and demography .....</b>	<b>6</b>
<b>1.2 Emigration .....</b>	<b>7</b>
<b>1.5 Natural and cultural heritage .....</b>	<b>9</b>
<b>1.3 Transport and development potentials.....</b>	<b>10</b>
<b>II. PROBLEM IDENTIFICATION.....</b>	<b>11</b>
<b>2.1 Unemployment .....</b>	<b>11</b>
2.1.1 Public opinion on employment and other development in Kosovo.....	12
2.1.2 Unemployment and vocational training in Prizren Region.....	14
2.1.3 Linking school with labour market – “STEEM” approach. ....	17
2.1.4 Business profiles and its challenges .....	18
<b>2.2 Education .....</b>	<b>21</b>
2.2.1 Profiles of secondary and high education .....	21
2.2.2 Missing VET professions in Prizren Region.....	24
2.2.2 UNDP recommendations for work skills in Kosovo .....	24
<b>2.3 Social inclusion .....</b>	<b>28</b>
2.3.1 Gender inclusion in education and employment .....	28
2.3.2 Rural youth employment inclusion.....	30
<b>III. EMPLOYMENT STAKEHOLDERS and STRATEGIC ORIENTATION.....</b>	<b>32</b>
<b>3.1 National employment stakeholders.....</b>	<b>32</b>
<b>3.2 Local employment stakeholders.....</b>	<b>32</b>
<b>3.3 Employment strategic orientation.....</b>	<b>36</b>
3.3.1 The action plan on youth employment in Kosovo 2018-2020.....	36
3.3.2 European Strategy 2020 .....	37
<b>IV. ANALYSES – LPE, EMPLOYMENT and EDUCATION.....</b>	<b>39</b>
<b>4.1 Results of SWOT analyses on employment.....</b>	<b>39</b>
<b>4.2 Results of SWOT analyses on education .....</b>	<b>40</b>
<b>4.3 Results of SWOT analyses on Social Inclusion.....</b>	<b>42</b>
<b>4.4 Stakeholders’ 360 degree evaluation .....</b>	<b>43</b>
<b>4.5 Students opinions on unemployment – case study .....</b>	<b>44</b>
<b>V. POLICY OPTIONS and RECOMENDATIONS.....</b>	<b>48</b>
<b>5.1 Identification of options .....</b>	<b>48</b>
<b>5.2 Evaluation of options .....</b>	<b>51</b>
<b>5.3 Recommendations .....</b>	<b>53</b>
<b>VI. ACTION PLANE.....</b>	<b>55</b>
References .....	57
Anex: Action plan.....	60

## SUMMARY

The Strategy of human resource development for increase of employability in the Prizren Region 2020 – 2025 (referred to as "the Strategy") is a medium-term strategic document accompanied by the Action Plan focused on the Municipality of Prizren, with employment stakeholders inputs developed in framework of the regional project "SEED Step II". The strategy includes municipalities of the region: Prizren, Suhareka, Rahovec, Dragash and Mamusha according to the regional organization of the Employment Agency – MESW (referred to as "Prizren Region") as they possess complementary capacities such as vocational schools, etc. and are in need of inclusion as being the smallest localities with high unemployment rate in the region.

The strategic planning process began in September 2019 till December 2019. The Strategy and Plan document will be presented to the Prizren Municipal Assembly which is expected to approve it, integrate it into its development policies, promote and support its implementation.

The goal of the Strategy is to develop human resources, in addition to other processes, in order to prepare the labor force according to market demand which is expected to increase employment as one of the main reasons for unemployment in Kosovo and the region is the unskilled labor force or not well oriented towards the current labor market and trends, opportunities and challenges in the near future.

Meanwhile, the development of human resources is expected to contribute to the enhancement of the quality of business products and services in the region as a major source of employment that is expected to play a role in providing expertise in the teaching process and professional practice, especially for vocational education where equipment, expertise and other resources are required, that the education system does not possess or are limited.

The Strategy is built on 3 main pillars, at the base of which there is (1) an **assessment of employment status and needs**, including LPE needs as a new consultative entity for consolidation and capacity building for fulfilling the target role - an impact on employment growth in the Municipality of Peja. The Strategy was drafted with the assistance of the consultant (HROD) engaged in drafting this strategy by consulting various data related to the topic, in particular (2) **the recommendations of UNDP** (United Nations Employment Program in Kosovo) about completion of skills gap based on the labor market demand survey in 6 major manufacturing and service industries in Kosovo in 2016. As well as, consulting local and international strategic documents as (3) **Kosovo Youth Employment Strategy and Plan 2018-2020** and **The European Strategy 2020** that involves employment growth, as well as reports, statistics and other data at local and national level, Kosovo Agency of Statistics, periodic public opinion surveys "Public Pulse" by UNDP, etc.

According to the policy making and strategic planning common practice, the document is conceptualized based on international practices for the development of human resources for employment and contribution models of stakeholders in organized forms such as local employment councils or partnerships, based on which establishment of LPE in Prizren as inclusive entity, with advisory function, following good practice of such entities established in Peja and Gjakova Municipal Assemblies in 2017 and enacted through such strategic planning.

Employment stakeholders in the Municipality of Prizren served as the focus group and source of primary data during a two-day workshop and other exchanges in assessing the situation and measures for change. The parties contributed by offering information available for assessment of the state of the local labor market through the "SWOT" analysis that served as the basis of strategic orientation, together with data from the Vocational Training Centre and the analysis of the socioeconomic environment of Prizren Municipality (2019) including labour needs.

Several options have been considered for the implementation of the strategy. Human capacity development option - preparing the labor supply according to the labor market by providing general "soft" or "essential" basic skills with wide applicability, from language knowledge to technical as recommended by UNDP, etc., in addition to specific knowledge in different profiles with international standards and according to labour market needs.

Thus, the Strategy and the Action Plan serve to stakeholders as a strategic orientation, assessment of achievements and situation, as well as a future planning basis for addressing local challenges to increasing employability and employment in the Municipality and the region of Prizren.

This is an orientation with opportunities for uniform administration through the system of vocational education and training, which is considered as the lowest cost and with the highest short-term and long-term impact. This option can be accompanied by other complementary aspects such as entrepreneurship cultivation, self-employment subsidy, attracting foreign investment through public private partnerships (PPPs), as well as the movement of qualified workforce through migration by avoiding "brain drain", attracting and retaining human resources with experience according to regional advantages by offering opportunities and benefiting from the capital and expertise of diaspora and foreign investments.

The Strategy with **3 objectives, 21 measures** and **37 activities** is detailed in the Action Plan, which is a tool for implementing and monitoring the Strategy and identifies the responsibilities, the time and resources necessary for its implementation useful for all stakeholders.

The three objectives of the Strategy and the Action Plan are:

- **Development of a human resources management system for employment in Prizren Region;**
- **Development of human resources in Prizren Region;**
- **Creating a stable and functional labour market in Prizren Region.**

The following is a profile of the Prizren municipality and region, some general socio-economic data, problem identification with unemployment and stakeholder data, methodology and SWOT analysis of employment status, education and social inclusion, options and recommendations.

In the annex is the short term 2020 Action Plan for the implementation of the Human Resources Strategy for Employment with details drafted in a logical framework useful to all parties.

*This document has been translated from Albanian into English, thus in case of discrepancies, Albanian version may prevail.*

## I. PRIZREN REGION PROFILE

For the needs of this Strategy, the region is defined according to the regional organization of the Employment Agency and its regional offices within the Ministry of Employment and Social Welfare (MESW) and Vocational Training Centre (VTC) within the Ministry of Education, Science and Technology (MEST) with their regional offices based in Prizren covering the municipalities of Prizren, Suhareka, Rahovec, Dragash and Mamusha. According to this organization, the following is a textual, tabular and graphical overview with detailed comparative data used on this Strategy on Human Resources Development for Employment, mainly in the Municipality of Prizren with the involvement of other four municipalities of this south region.



Prizren Region (Wikipedia)

These data include the area and composition of the region's territory, population, demographic movements with particular emphasis on international migration, socio-economic data, education, transport and cross-border aspects, privatization and employment/unemployment and the labor market as the focus of this Strategy to interconnect depends on and has an impact on the welfare and socio-economic and political stability of the region.

The Prizren region is located in the southern part of Kosovo and according to the aforementioned organization it includes 5 municipalities: Prizren, Suhareka, Rahovec, Dragash and Mamusha with 1192 settlements (4 cities as administrative centers, small town of Mamusha and rural areas surrounding villages) lying in the southern part of the fertile Dukagjini Plain reaching to the heights of the Sharr Mountains and municipality of Sterpce in the southeast, Pashtrik mountains in the southwest, Hasi mountains in the west and the border with Albania at the Vermica crossing. The region extends to Gjakova and Klina in the north, Malisheva in the northeast, Lipjan, Shtime and Ferizaj in the east. In the south, the Prizren region borders with Northern Macedonia and southwest with Albania.

The length of the region is in line with other local and international institutions, without affecting local self-government independence of municipalities as administration in Kosovo is organized into two levels: local and central governments, without administrative regions.

However, regional planning such as this Strategy create favorable preconditions for early regional development in line with European regional development programs also in the context of European integration and cross-border cooperation funds since the Peja, Gjakova and Prizren regions have cross-border character.

### 1.1 Territory and Demography

According to statistical data, the area of Prizren region including the municipalities of Prizren, Suhareka, Rahovec, Dragash and Mamusha is **1460.39km<sup>2</sup>** with 197 settlements (5 urban administrative centers and 192 villages) and 348,987 inhabitants (population estimation 2018), with arable land, vineyards, forests and pastures, as well as urban areas, roads, facilities, living and administrative and commercial, sports and recreational areas and infrastructure.

Internal migration from rural suburbs to urban centers and towards the capital Prishtina, as well as abroad, is evident in the region. The number of emigrants from the Prizren region outside Kosovo in 2018 was 1.6% of its population, Suhareka the highest in the region. According to Kosovo Statistics Agency (KSA), internal migration occurs for reasons of study, employment, change of residence in the case of marriage, etc. but there are also arrivals to these municipalities from the country and abroad, including the repatriation of locals and the arrival of foreigners for work reasons (in international organizations) as well as for asylum - job opportunities from neighboring countries, etc., however in a smaller scale and without any real or expected impact on local employment.

Data about the region such as territory, type of land, number of settlements, population, international migration by population estimation in 2018 by KSA are presented in the following table. The population structure of the Prizren region is mixed, Albanians being majority. In Prizren and Mamusha there is a Turkish minority (in Mamusha Turkish are majority) and the Gorani minority in Dragash. There are other minorities across the region's municipalities.

Municipalities and no. of settlements	Surface (km <sup>2</sup> )	Tokë (ha) bujq/pyje	Popullsia	Emigrimi 2018 ndërkombëtar
<b>Prizren</b> (76 villages – 6 quarters)	640	25.181 agri land	193,463	1,659 (0.8%)
<b>Suhareka</b> (44 villages )	361.78	19,373 (53%)/ 15,074 (41%)	58,277	1,958 (3.3%)
<b>Dragash</b> (36 villages, 2 regions)	435.25	9% agri land 90% forest, past.	34,015	383 (1.1%)
<b>Rahovec</b> (36 villages )	275.5	50% of Kosovo's vineyards	57,391	1,696 (3%)
<b>Mamusha</b> (1settlement)	23.36	712 (65%)/ 300 (28%)	5,841	117 (2%)
<b>5 komuna 192 vendbanime</b>	<b>1460.39 (km<sup>2</sup>)</b>		<b>348,987</b>	<b>1.6 %</b>

During the first decade of direct international administration of the post war Kosovo, including emergency, reconstruction, educational, developmental, security, diplomatic and other

programs, included a significant number of local staff from guards, drivers, translators to engineers and high profile professionals in various programs supported by foreign aid.

This had a direct impact on employment growth and indirectly on the economy through the purchase of products and services including rent, etc. This trend is in decline with the reduction of international missions and programs which massively reduces employment, while foreign direct investment is lacking for many reasons, despite the rapid business registration process and favorable fiscal policies. It is also caused by the lack of stability, the level of functioning of the judiciary and the protection of investors in court proceedings and with government guaranteed funds, informal economy practices, high corruption and low transparency according to reports of government and non-governmental institutions, also observed by EU, diplomatic presence such as the US, UK, etc., and international financial institutions like the IMF, development organisations like the World Bank, which measure the level of good governance, the judiciary, free speech, transparency, etc.

In a TV presentation at the end of 2018 focused on high and rising immigration in Albania, a migration expert assessed that mass international migration could have socio-political impact and destabilize the local labor market as a result of "brain migration" which creates a shortage of local workforce since the most developed countries especially those in the European Union, USA, Canada, etc. are drawing, through work visas low-qualified workers but with specific skills such as mechanical, hydro and electrical installers, welders, etc. and highly skilled/qualified workers such as engineers, builders, and doctors among others.

This trend is in increase in the Kosovo and also in the region, and as predicted, **"the future of work will not belong to college diplomas, but to job skills"** (SNBC, February 2019), so a shortage of labor force with job skills can be expected, since those with degrees are many but unnecessary for businesses - job providers who have already begun to identify shortages as welders and other worker profiles.

## **1.2 Demographic movements - national and international migration**

According to the population assessment report of the Kosovo Statistics Agency (KSA), in 2017 it was estimated that the number of inhabitants of Prizren was 288,655 inhabitants, while the total population of Kosovo it was estimated to have been 1,798,506 inhabitants.

The number of Kosovar emigrants in 2016 was 22,012, in 2017 it was halved to 11,263 mostly legal emigrants. The number of immigrants in Kosovo during 2016 was 13,072 inhabitants, including returnees and asylum seekers in Kosovo with citizenship/residence permit for more than 1 year, while in 2017 the number 5,832 was again lower (Ministry of Internal Affairs, IOM, UNHCR, Municipalities). The motives of emigration according to the report were family reunification, marriage, employment, permanent migration, long-term studies with employment, etc. "Also, during 2017 a significant number migrated seeking asylum" (KAS 2016, 2017).

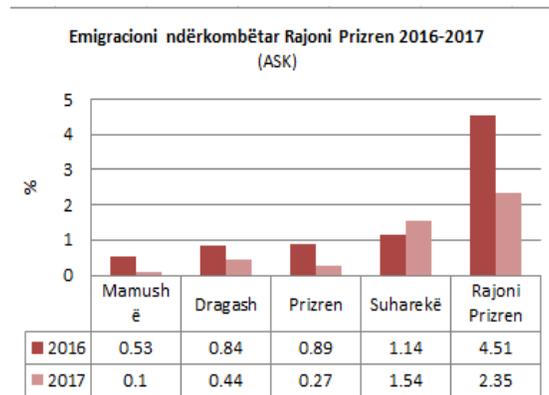
According to the national and international migration data in 2016, the municipalities with the most positive balance were Pristina (395 persons), Fushkosova (268), Novobërda (70), Gracanica (66) and Junik with a lower number of 12 but a significant indicator of people's preference for

living in this new, small and clean municipality as far as the naked eye sees and a glimpse of the environmental data shows. Also, the national migration balance for the municipality of Prizren is quite positive since 279 residents have migrated from other Kosovo municipalities to this municipality, however there's a negative international migration balance (341 migrants) in 2016 (KAS 2017).

The municipality with the highest positive balance of national migration is Pristina with 1074 inhabitants who immigrated to this municipality during 2016, as well as Prizren etc. with a high number of international migrants of 679. If assuming only international migration (without considering the number of new arrivals in Kosovo and the balance of national migration) for 2016, Municipalities by percentage of population (over 1000) emigrated out of Kosovo in 2016 are: Gnjilan 2166 (2.7%), Ferizaj 2,349 (2.3%), Vushtrri 1,188 (1.85), Mitrovica 1,231 (1.82%), Podujeva 1,167 (1.4%), Pristina 2,117 (1%) and Prizeren 1676 (0.9%) international migrants.

### International migration in Prizren region

According to KSA, in 2016, the highest international emigration of the following 3 regions was in the Prizren region (4.51%), followed by Gjakova (2.93%) and the Peja region (2.74%). In 2017, the trend of emigration in the Prizren region was halved to 2.35%, while in 2018 it was 1.6% or about 70% less than in the previous year. Details of migration for 2016 - 17 are shown in the following chart.



Emigration in Prizreni Region (KSA, 2016, 2017)

The number of migrants outside Kosovo (emigration) is shown as a percentage in relation to the population of the municipality/region excluding national and international immigration (new comers).

## **1.5 Natural and cultural heritage in Prizren Region**

### **Nature**

The geographical features of the region are the southern part of the Dukagjini Plain surrounded in a "U" shape with the Berisha Mountains to the east, the Sharr Mountains National Park to the southwest along the border with Northern Macedonia, the Pashtrik, Koritnik and Hasi Mountains to the south west of the region along the border with Albania, followed by the Dukagjini Plain with Drini, which traverses abundant irrigation water and recreational sports such as kayaking and cooling in the summer.

The Prizren region is known for its early vegetable cultivation as Prizren is Kosovo's lowest point (300m altitude) and Rahovec in particular for vineyard cultivation and winemaking.

Prizren with its castle, cultural and religious objects, hammam, stone bridges over the river, as well as regular cultural activities like "Doku Fest" as well as handicrafts and trade is well known and attracts more and more foreign and domestic tourists especially for cultural tourism. According to statistics, no. of tourists from 3,632 in 2008 had quintupled to 18,358 in 2017, while overnight stay increase eight times from 4,100 to 31,472 (KSA statistical data 2017). It is worth noting that the increase in accommodation and tourist service capacity has grown and adapted to this growing trend, including hotels, hostels and other infrastructure.

These features are closely linked and complement each other intertwined with tangible and intangible cultural heritage, hospitality tradition, cooking and crafts, cultural objects such as museums, as the Prizren Ligue, religious building, and people generally educated and hard-working.

The climatic characteristics of the region are almost the same as in the whole territory of Dukagjini Plain. Relatively high temperatures with an average annual value of 11C°, August and July are the hottest months of the year with temperatures of 21.7C° to 40C° in recent years, while January is the coldest month of the year characterized by very low temperatures.

The region is known for its high density of waters such as rivers, springs, mountain lakes, peaks with stunning landscapes and pastures, with hilly villages where people live and survive with their livestock in harmony with nature, as well as the arable green fields in the Dukagjini Plain. All this represents a high potential for the development of agriculture, livestock, agribusiness and agritourism, mountain and rural tourism.

### **Culture**

Part of the mosaic of the region is also the material, historical, archaeological, religious, architectural, ethnological, artisanal cultural heritage, as well as intangible heritage such as hospitality, tradition, history in legends and songs, songs and dances of life and death with respective rituals.

To illustrate, some of the most popular and visited cultural sites in the region are: Prizren Castle, Historical Museum "Prizren League", religious buildings as Mosques and Catholic and Orthodox

churches, old city houses in the region, arched stone bridges, towers, etc. Prizren as an old craft and trade center in the triangle between Kosovo, Albania and Northern Macedonia preserves entrepreneurial, commercial, cultural and culinary values.

Therefore the geographical position of Prizren region, natural and cultural heritage and its cross-border characteristic constitutes a strategic competitive potential for that region in Kosovo and the Balkans, especially for the development of mountain tourism, trade and cultural and professional exchanges, including integrated management of environment, forests, waters, etc. and joint treatment of environmental issues, agriculture, livestock, fishing, etc., a sustainable development in general, all together as preconditions for the welfare and socio-economic and environmental stability of this region.

### **1.3 Transportation and development potential in Prizren Region**

Along municipality of Prizren pass the the highway "Road of the Nation" connecting the Prizren region with the capitals Pristina, Skopje and Tirana. Municipalities of Prizren region and with other regions are connected by road transport, while telecommunication with rural areas is optimal.

There is a Klina - Prizren railway but it is not operational. While this strategy was being drafted, according to the Government's decision, a feasibility study for the construction of the "Dukagjini Highway" is planned to connect the municipalities of Dukagjini Plain from Istog in north to Prizren south - an initiative that has raised public discussion and expected to be implemented in the nearfuture as the per existing Government plan.

This highway is expected to fundamentally improve road transport in this important local and regional socio-economic axis which is old and with its limitation, facilitating the movement of goods and people, the welfare and development of the Dukagjini area and is expected to affect employment as well through faster mobility of people for education and employment in the municipalities of Peja, Gjakova and Prizren regions according to market demands.

The population of Prizren as the center of this region is considered good artisans, entrepreneurs, builders and traders as it is located on the old Adriatic trade routes to inland Europe and Asia in ancient times in good relations and exchanges with nearby centers of Gjakova and Peja as well as with Kukës and Shkodra and further on to Dubrovnik and other centers.

Transformation of the former German KFOR Military Camp into the Intenational Trainig Park (ITP) with an integrated accommodation and service capacity of 800 people, is an added value for Prizren municipality and region that along with other natural, cultural and human resources are good opportunities for economic development, attracting tourists and investors from the diaspora of this region and foreigners who are expected to increase employment and socioeconomic prosperity of the region.

## II. PROBLEM IDENTIFICATION

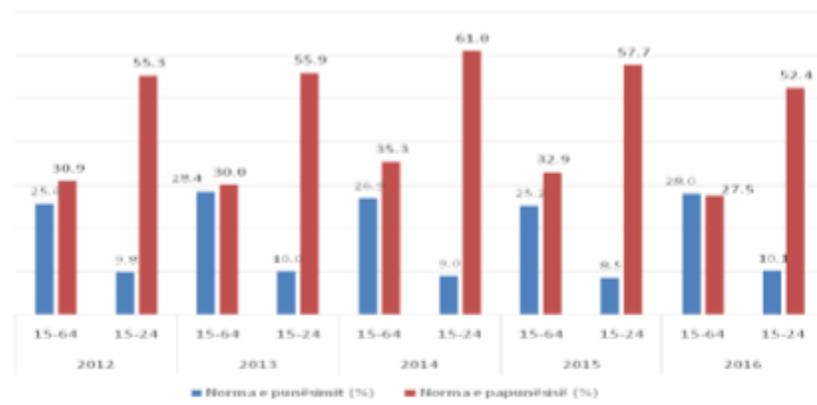
### 2.1 Unemployment in Kosovo

To understand the employment situation at the local level, we need to know the general picture and refer to data which are available mostly at the national Kosovo level, yet relevant to the locality on various socio-economic issues, including employment.

According to statistics, unemployment in Kosovo varies between 30 - 55% depending on the source of information. However, these are orientation data and refer to declarations in the census, registration of jobseekers in local employment offices of the Employment Agency, which has 7 regional offices in Kosovo as part of MLSW, the labor force survey by the Kosovo Agency of Statistics (KAS), Pension Fund, TAK, etc. Regardless sources of information, it is widely estimated that the number of unemployed in Kosovo is higher than any unemployment statistics.

Unemployment in Kosovo has historically been high, especially after the suppression of autonomy and the massive removal of the workforce from socially owned enterprises and other institutions during the 1990s, following the 1999 war and onwards with an ever-increasing improvement, yet not meeting the needs and aspirations of Kosovo's population and workforce.

High unemployment in Kosovo, in particular among its youth, is a serious socioeconomic concern for the country and with implications at the region, as in 2004 the massive youth response to UNMIK's international administration and local municipalities within the Independent Self-Government Institutions (PISG) and the overall socio-economic situation was called by an official of MCYS a "social bomb" ready to explode every other moment in various forms ranging from protest to mass emigration, risking "brain loss" - thus qualified/eligible workforce leaving the country as it happened with the greatest youth exodus for a short time in years 2014 - 2015.



Burimi: ASK, Anketa e Fuqisë Punëtore 2012-2016

Fig. Statistics on youth employment in Kosovo 2012 – 2016 (KSA, MLSW)

This also poses the risk of losing the first fully educated generation after 1999, for which the World Bank in its 2014 report warns that if it is not integrated, Kosovo risks losing this generation considered as most productive given its formal education in genuine peace and freedom which until 1999 was a parallel system, very limited education system implemented

into "home schools" (out of state education schools) but was nevertheless a strong transitory means of preserving and motivating the majority of population till 1999 liberation and later in February 2008 country's independence.

After the war, despite progress in many areas, developmental backlog as a result and cause of, among other things, unemployment is a growing challenge for state institutions; it requires sustainable development policies aimed at enhancing well-being and human security, in particular reducing unemployment, increasing the confidence of the population, living healthy, be well educated, empowered and enriched spiritually and culturally by exploring and achieving individual and collective development potentials in Kosovo while preserving and enriching natural and cultural values and resources without compromising developmental needs of future generations.

The government's response to this situation reflected in the Kosovo Youth Strategy 2013-2017 was: "Creating opportunities for youth employment through [formal and informal] training programs and financial support for young entrepreneurs" including development of life skills and employability.

According to MLSW, by the end of 2015 there were 110 thousand jobseekers (Lajmi.Net 2016). According to the current 2018-2020 strategy for increase of youth employment, the youth unemployment trend for group age 15-24 years old remains almost the same to date with a 3% decline from 55.3% in 2012 to 52.2% in 2016 where over 60% were unemployed young women.

However, more worrying than unemployment itself is the fact that the 2016 labor force survey referred to in the Strategy states that "nearly one-third of youth (26.5% of boys and 34.2% of girls) were neither employed, nor pursuing education and training, compared to 10.2% level in the European Union", so 10% higher. This minimises future employment prospects of these young people. Pension Fund accounts 42% unemployed in Kosovo (INDEP, 2014).

Therefore, integrating this part of youth into vocational education/training in various jobs according to the market needs would save it from poverty and its effects and increase the chances of employment and welfare by combining measures of information and advice.

### **2.1.1 Public Opinion on Employment and Other Developments in Kosovo**

According to the UNDP publication "Public Pulse Analysis - Challenges and Perspectives of Youth in Kosovo" published in August 2018, about half of the youth who took part in research are pessimistic about the future of Kosovo, as a result of 3 major challenges: employment (60%), poverty (49.3%), as well as nepotism and corruption (43%). The more mature ones, 25-35 years old, consider the political situation in the country as the main problem and consequently, especially unemployment and economic situation, for which over half of the young respondents (60%) would consider emigrating from Kosovo in the near future.

This publication is carried out by UNDP in annual bases, firstly named the Human Development Report and later the "Public Pulse" as an instrument that each year addresses various pressing issues of the society in Kosovo through public opinion research. This study also deals with the level of youth's satisfaction with education, where ¼ of young people consider education they

receive it is not helping to secure employment. Regarding this challenge of quality of education, they listed three main reasons: teacher training (about 40%) as well as the infrastructure and curricula that contribute to this situation in a similar way.

In terms of social inclusion, about 2/3 of Roma are not included in the education system, while the situation of other communities is significantly better as reported by UNDP research. A significant proportion of 30% of young people think that there is an improvement in inter-ethnic relations, while at the same time they think the opposite, considering that the strain will persist for a long time, especially between the majority Albanian population and that of the Kosovo Serb minority with memories especially the last one where the hold is more extended as the impact was massive and affected lives, work, households and everything else.

The treatment and overcoming of the tense inter-ethnic situation has been suggested through awareness-raising and educational activities, to counter the extremism that young respondents rate three types, the highest being political (64%), followed by nationalist and religious in size. similar (55%), although they estimate that "the security situation in Kosovo is stable".

The respondents - youth unemployment rate (452 people from all over Kosovo and 82 people in focus groups in Gjakova, Prizren, Gjilan, Mitrovica, Gracanica, North Mitrovica and Pristina) is high: 48% of young people surveyed are without jobs out of which over half (56%) of women and 40% of unemployed men. This high figure may be related to the status of students, although few have tried to work to self-finance their studies, as all have reported being funded by relatives, but such work has affected them. in the quality of lessons. From the age structure of the employees, this is confirmed as the majority of the employees (60%) are 25-35 years old who are estimated to have completed bachelor / similar or even master's degree.

Three reasons that made it difficult for respondents to be employed (about 40%) were: "lack of professional qualifications [adequate to job requirements, a situation that is also confirmed by statements in various media discussions, conferences, etc. expressed 10% more in females than in males and most in the more mature 25-35 years age group, a hypothesis validated if we refer to the lack of labour for various profiles, mostly qualified workforce with standard vocational education]," "lack of available jobs, and corruption and/or nepotism".

However, "23.3% are optimistic about employment opportunities, which is the highest value ever recorded in the Public Pulse surveys" stated UNDP in its June 2018 publication.

Whereas, satisfaction with the performance and credibility of the institutions in the country, the research of "Public Pulse XIV" published by UNDP in June 2018, is presented in the following table in percentage form and trend graph from 2007 to 2018.

Tabela 1: Nivelet e kënaqshmërisë me institucionet kyçe ekzekutive, legislative dhe gjyqësore në Kosovë

Treguesi politik		May-17	Maj-18	Qershor-17	Prill-18	Novem-17	Qershor-18	Tenor-17	Prill-18	Novem-18	May-18	Shkurt-18	Prill-18	Tenor-18	Tenor-18	Prill-18	Total
Kënaqësia me shprehësitë	Institucione qendrore	35.0%	48.8%	33.1%	35.2%	25.1%	32.8%	27.2%	27.0%	44.2%	33.3%	18.1%	17.1%	17.8%	33.2%	33.4%	30.0%
	Kryeministri	34.8%	43.8%	33.8%	36.4%	30.7%	37.8%	27.8%	30.4%	48.3%	34.1%	23.6%	14.6%	11.2%	31.7%	42.5%	33.2%
Kënaqësia me legjislativën	Kuvendi	11.8%	11.4%	33.2%	34.7%	32.1%	41.8%	32.1%	32.3%	48.3%	18.1%	19.8%	19.9%	17.3%	33.8%	31.7%	32.9%
	Kryetari i Kuvendit	11.4%	10.3%	33.8%	36.0%	33.3%	48.8%	41.7%	48.8%	57.3%	23.3%	22.1%	18.8%	14.3%	34.8%	36.0%	31.3%
Kënaqësia me Prokurorinë	Prokuroria	32.8%	34.3%	45.7%	34.0%	38.8%	34.1%	47.1%	45.1%	48.8%	40.7%	35.2%	38.4%	41.7%	33.5%	37.8%	39.1%
	Gjykatat	28.8%	21.8%	32.7%	27.2%	18.3%	38.8%	24.3%	18.7%	37.3%	22.8%	17.2%	13.8%	11.4%	21.1%	36.8%	31.2%
Kënaqësia me gjyqësorin	Prokuroria	32.7%	32.7%	33.7%	38.0%	33.1%	38.3%	33.6%	17.7%	38.1%	33.0%	17.8%	12.8%	14.8%	18.3%	33.1%	29.0%
	Gjykatat	28.8%	21.8%	32.7%	27.2%	18.3%	38.8%	24.3%	18.7%	37.3%	22.8%	17.2%	13.8%	11.4%	21.1%	36.8%	31.2%

Fig. Satisfaction with performance of key institutions in Kosovo (UNDP, June 2018)

Whereas the „Public Pulse XV“ was published on 21 February 2019 by UNDP in Kosovo but it [was] not available on the publisher's website. The media reported different and incomplete data from the presentation of the report, so they could not be complete. However, if we refer to some of them based on the presentation of the latest report by UNDP half of the respondents are dissatisfied or very dissatisfied with the political and economic direction of Kosovo.

Whereas “satisfaction increased by 6.6% for Courts (37.8%) and Prosecution (35.3%) compared to October 2017, the highest level ever recorded in Public Pulse surveys” in Kosovo. Regarding the changes in the political course in the country, respondents (about 34%) show increased awareness believing that their vote could change the situation in Kosovo.

The percentage of respondents who estimate that central institutions are working in line with citizens' interests has doubled from 18% in October 2016 to 37.5% in 2018 (Llapi.info). While satisfaction with the president's performance declined by 1% during 2018 (from 39.1% in May to 38.4% in November 2018), while for the prime minister it increased 2% (from 33.2% to 35.1%), while perceptions of the president's performance increased. assembly increased by 5% from 31.5 to 36.3% (Express Newspaper). As for corruption, "The most corrupt institutions are Customs, KEDS and PAK" as reported by Info.com, though without defining a degree of corruption. In terms of security, "71% of Kosovars feel safe when on the road, which is the highest number since 2013," including about 10% of Kosovo Serbs reported „Llapi.info“ paper.

### 2.1.2 Unemployment and vocational training in the Prizren region



A research report of a consulting company “MMC Kosova” based, presents an optimistic employment situation with only 15.6% unemployed at the country level (Kosovo) which is half less than the statistics of Kosovo government institutions.

At the regional level, this survey ranks Prizren region the second lowest unemployment rate (14.2%) out of the 7 regions shown on this map, Gjakova being the lowest rate (9.5%), followed by Peja and other three regions with about 15%, while Pristina region shows the highest unemployment rate of 24.3% (“Economic Bulletin”, 2018).

However, these figures appear to be far more optimistic than the statistics of the relevant Kosovo government institutions, as well as the perception and sensitivity of the population, especially considering the massive number of young people entering the labor market each year after high secondary and high education, the highest number of non educated people are unemployed, and to a lesser extent, yet still worrying those with higher education and secondary education (according to MLSW data), women and those in rural areas.

Since there are no unemployment statistics at the local level, reference should be made to the national situation and consider limited local data from Municipal Employment Offices (EO), which are a reliable source of information as long as the unemployed are registered as job seekers in these centers. However, many of the unemployed are not registered in these offices, and even if they are, there is no data on how many are employed later at some point in time as they do not come back reporting to EO for their employment status change due to mainly negligence or a lack of awareness that a data update is important for unemployment statistics, etc. To date, there is no unemployment compensation in Kosovo.

The VTC has provided data on services offered such as certified courses offered and no. of certified candidates. Whereas the Employment Office failed to send information on advice and referrals to the VTC, types of training provided by referrals, employer requirements for employee profiles, employment mediation, etc. for Prizren region. Therefore, this remains an issue for treatment under the action plan as a need for systematic gathering and presenting data necessary for strategic planning and decisionmaking in employment and education arena.

### **Vocational Education and Training in the Prizren region**

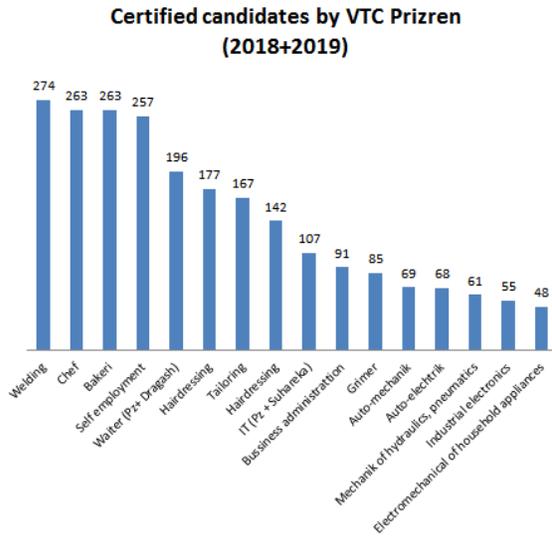
According to MLSW in 2014 there were 15,000 registered unemployed in the municipality of Prizren, while according to data taken into account in the socio-economic analysis of Prizren, including those by the employment office (EO), the number of unemployed in the Municipality of Prizren is estimated to be **around 17,000 unemployed or about 9% of its population** in 2017 (Germin pg. 13, 2019).

Industry	No. companies	No. employees
Hoteliery/Tourism	392	1174
Food Procesing	555	3011
Agriculture	6580	17104
Construction	731	884

According to these data, no. of employees in the 4 private industries with intensive workforce – hoteliery/tourism, food processing, agriculture and construction – in 2014 there were 22,173 employees in 8,258 businesses in Prizren Municipality (Germin - KSA, 2014) details in the table.

By law and inter-institutional arrangements, the Employment Office (EO) registers, advises and references jobseekers for appropriate 3-month free vocational training courses offered at the Vocational Training Center (VTC) which also covers 5 municipalities of the given region. Training courses are also offered to employees who want to be trained in a preferred field related to their current activity or to increase their chances of getting better employment including those abroad. However, from the VTC observations, most trainees are unemployed.

The following graph shows the courses and the number of certified candidates at VTC Prizren in 2019, including two trainings held in Suhareka (ICT course) and Dragash (waiter course).

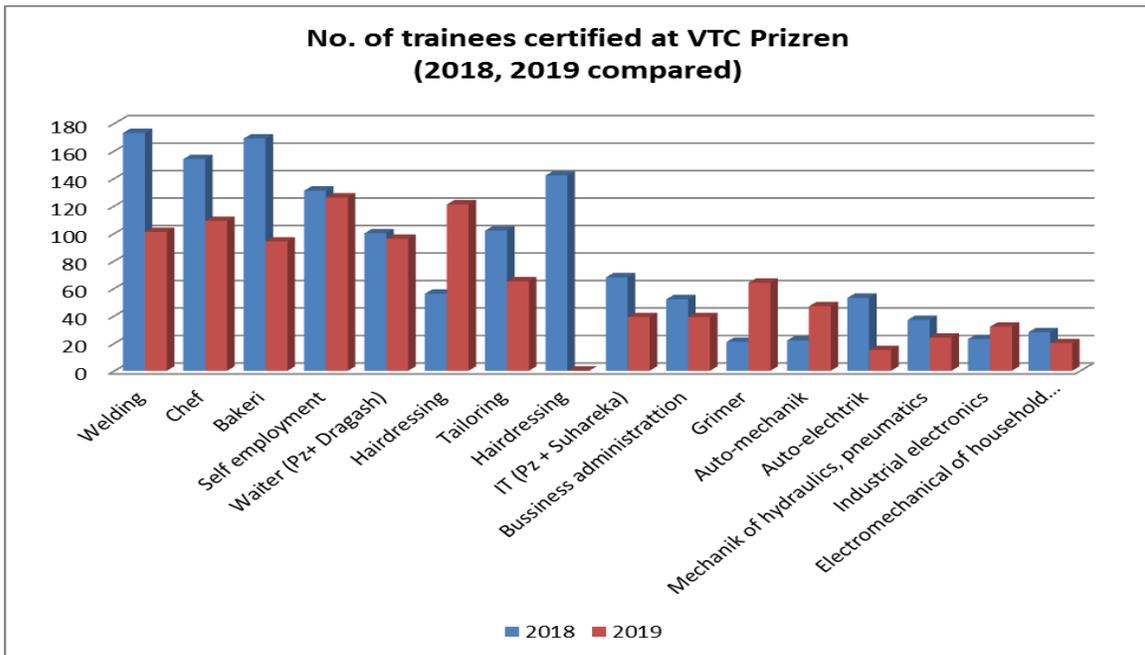


Data on the number of trainees trained and certified in VTC Prizren in 2018 was 1331, and by November 2019 992 certifications as reported by this center. (VTC, Nov. 2019).

The reasons for the reduction of about 25% of the number of qualifications from 2018 to 2019 at VTC Prizren are not known. Measures due to the schedule that some of the training may exceed the calendar year, or as a result of the reduction in referrals for such qualifications, namely the reduction in the number of jobseekers registered with the Employment Office in the Prizren.

Information provided by VTC Prizren did not provide demographic details such as background, gender, age, educational level, etc. so that a specific trend could be observed. The graph therefore includes all participants from the region.

As shown in the graph below, where no. of trainees certified in VTC Prizren, in 2018 and 2019 compared, despite decreasing overall number of certifications, 3 courses increased: hairdressing and mechanical engineering doubled while grimmer tripled from 2018 to 2019. Comparative details are presented in the following graph for each of the 16 courses offered by VTC.



The following are profiles of missing vocational schools in the Prizren region - according to UNDP survey data on job skills needs in Kosovo (2016). For some of these professions as a chef and ICT professional qualifications are provided by VTC Prizren.

Missing professions in Prizren (UNDP 2016):

- milk / dairy, meat and fruit processing.
- post elecommunication; IT assistant, IT services.
- metal producer.
- manufacturer of clothing, textile and clothing design.
- chef, tourism assistant, gastronomy and tourism services.
- carpenter
- graphic design.
- computer machine operator.

Apart from VET, Prizren also has a Career Center, whose activity is complimentary and aims to increase quality in education and labor market linkages including employers in the planning and education process such as need identification, exchange of experience, professional practice etc. Other institutions such as universities, municipalities, the Chamber of Commerce, NGOs and businesses also play a role. However, their role in employment or in increasing employability skills and chances of the workforce is scarce or unknown.

As for international organizations addressing employability issues in a way, VTC has reported 78 capacity building activities (on-the-job training and school) carried out during 2018-19, from UNDO, GIZ and Swiss contact in cooperation and assistance of VTC Prizren.

### **2.1.3 Linking education with the labor market - the STEAM approach**

It is widely accepted that there is a gap between VET profiles and quality in one side and labor market requirements and trends in the other - a discrepancy between supply and demand.

The publication "Analysis of labor market needs and skills in Kosovo" published as part of the "Alled III" program supported by the Austrian Development Agency (October, 2019) promotes the educational orientation "STEAM" (science, technology, engineering, arts and mathematics), suggests entrepreneurship instead of the arts, hence the "STEEM" approach, for women and men candidates, considered faster employment opportunity at home and abroad with vocational/high education.

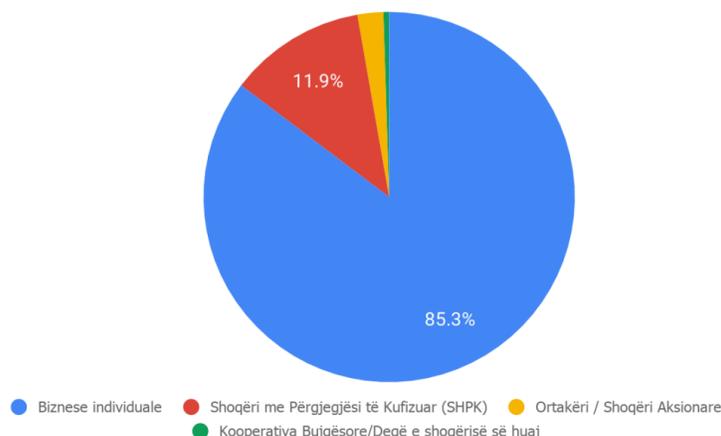
This analysis consists of interviews with 300 businesses in Kosovo regarding their needs for workforce profiles recommending vocational education and training with the "STEEM" approach, where priority sectors - job profiles have been identified for each of the 4 areas. Priority sectors are agriculture, food processing, mechanical engineering and energy. The study identified 3 skills needed for a number of occupations required by the labor market, presented in the following table.

Skills	Professions
Engineering	Mechanical engineering, eLPETronics and energy sector
Agroculture	Agroculture, food processing technology dhe veterinary
Communication technology	Technician of telPEommunication and communication, data base and network professional, as well as software development, internet tech, etc.

#### 2.1.4 Business profile and challenges in Prizren municipality

Prizren is the second largest municipality in Kosovo with an area of 640km<sup>2</sup> and a population of 191,565 (ASK 2017), with a cross-border character on the border with Albania and North Macedonia and historically one of the important socio-economic centers and its cultural and historical center. As such, Prizren is the center of the southeastern region of Kosovo, so business and employment data in the municipality of Prizren as a representative of this region have been taken into consideration.

In Prizren municipality there are about 13,000 businesses with diversified activities in 433 sectors/subsectors (Kosovo Business Registry Agency - KBRA) where the overwhelming majority is 85% comprised of individual businesses, 12% KPS, 2.25% partnerships, and the rest are cooperatives, part of foreign businesses and businesses. .A. According to the Open Data platform, about 70% of the owners of these businesses are males and 8% are females, with the rest not declaring the owner's gender (Germin 2019).



Source: Socio-economic analysis of Prizren municipality (Germin pg. 13, 2019)

Profile of businesses registered in Prizren municipality and no. of those employed in these industries is partially presented in the following table as data on some industries are missing (for a supplement), while the following chart gives a rough overview of the composition of the industries (integrated in the socio-economic analysis), but does not represent the mosaic of business profiles in Prizren.

According to statistics, the hoteliery/ tourism and food processing sector occupies the second place in Kosovo. Tourism catering is the sector with the most dynamic growth in the municipality of Prizren. According to the analysis, among the challenges of businesses, a common denominator for many industries is the lack of qualified and experienced sectoral

workforce for which to import expert from the region and EU such as. food technology engineer, etc. which increases the costs of producers already so high.

As for other data, data on the contribution of these sectors to the workforce are limited, as for various periods as TAK informs some businesses in some periods are not active and consequently not employed, others are inactive but that they have not been deregistered, and another category is likely to make partial reporting, such as the case of income declaration in the construction sector in 2018 only 20% of businesses as reported by TAK compared to the number of businesses registered under KBRA (Germin, p. 23).

According to the business self-assessment, as part of the above analysis, based on some characteristics where the most importance is given to the intensity of work in some businesses in the 10 most important industries in the municipality of Prizren, as investments and policy-making orientations to increase employment, including foreign direct investment, is suggested to focus on industries that by their nature of productive and service activity seek to include higher numbers of workers in addition to technological applications, indispensable in relation to local and foreign market demand and competition, investment potential and value added.

The added value has to do with the socio-economic and environmental responsibility of business activity, the quality and longevity of the product, such as eco-tourism, etc. The added value of industries such as strategic energy mines and agriculture, among others, as well as cultural and natural heritage are considered national assets with protection laws of various categories.

According to the business self-rating average of the 7 characteristics, the common index (according to the Liker scale from 1 min to 5 max) that in this rating ranged from the minimum rating of 3.11 points attributed to the energy industry to the maximum rating of 4.11 Hotel-tourism as industry with the most labor-intensive level and development investment potential.

From the self-assessment data presented in the chart above, 6 out of the 10 key sectors included in the review rank around 4, while four fall below the 3.5. This self-assessment in the analysis of Germin and KIESA 2019 focuses on the aspect of foreign investment potential and the diaspora.

However, it is an added value as the results can serve as a VET and VTC curriculum orientation for preparing the workforce according to labor market requirements, especially for high-intensity workforce industries in relation to the resources and development potentials of a locality. a region, in this case Prizren and the south-eastern region of Kosovo.

The following chart shows the 10 most important industries ranked according to the Self-Esteem Index of the businesses of these industries in the municipality of Prizren regarding the labor force intensity and the 6 other characteristics together with the aforementioned self-esteem.

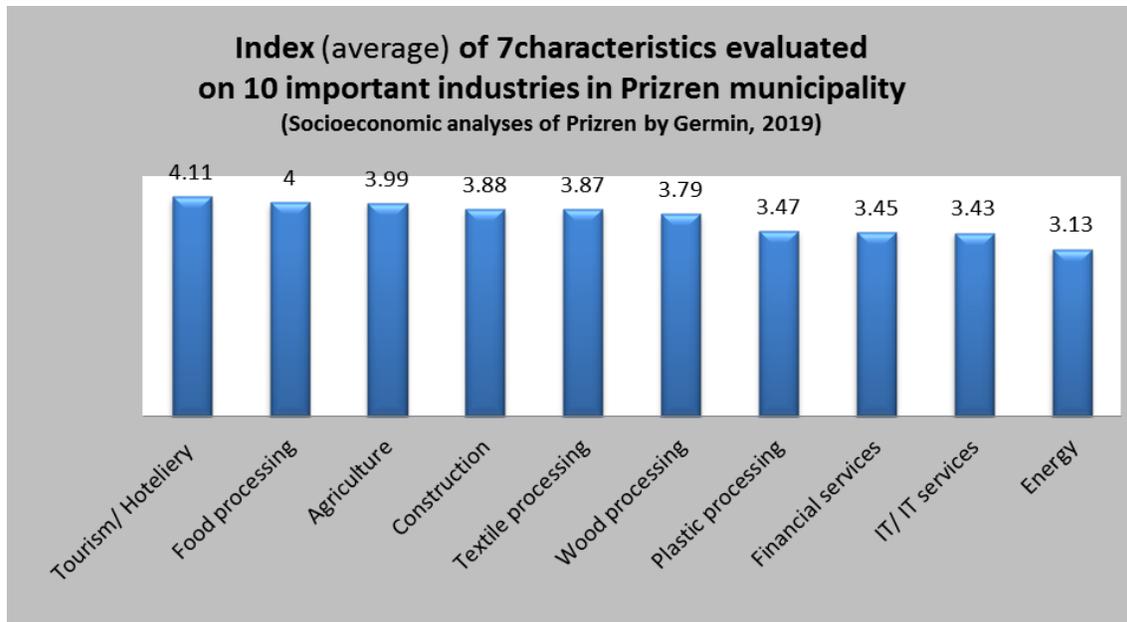


Chart elaborated from the index of the assessment results of 10 industries in Prizren (Germin)

However, if only the high intensity / labor demand characteristics are taken into account, the self-esteem (on a Liker scale: 1 min to 5 max) of businesses in these sectors can be grouped into two categories: high intensity and low intensity. second with average labor intensity:

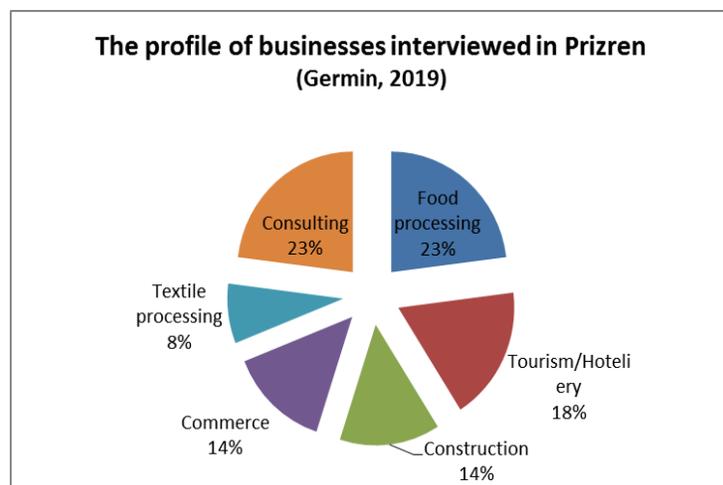
**Gr. 1 High Intensity Workforce Industries: self-esteem goes nearly maximum, as follows:**

4.4 the agricultural and food processing sectors (approximate values of 4.45 and 4.4 respectively);  
4.35 textile processing; 4.27 construction; and 4.1 tourism / catering and wood / furniture processing sector.

**Gr. 2 Average labor-intensive industries: industries with an index lower than 4:**

3.8 plastics processing as well as the energy sector (solid values 3.83 and 3.7 respectively);  
3.2 ICT / IT services as well as financial services with the lowest index 2.9.

According to the research of a group of businesses from several industries, as in this chart, in the context of Prizren socio-economic analysis, 60% of businesses stated that the number of employees increased last year, 14% stated a decrease, the rest without changes (Germin p. 29, 2019).



Whereas after the competition, the shortage of skilled workers is the biggest challenge for these businesses at 52%, followed by lower market problems, customs duties, power outages and tax rates at 38 - 19 % respectively.

As for the 3-year development plans, 65% of these businesses plan to build human and technological capacity, similarly in infrastructure 50%, and less in marketing (20%) and other investments (15%). Investing in human capacities may mean no increase of number of workers.

## **2.2 Education**

The level of education in the Prizren region as in all of Kosovo varies. In general, the entire population is provided with public primary and lower secondary education, most receive upper secondary education, and less with university and post-secondary education - albeit with an increasing trend in public and private schools as well as enormous increases in the number of students with questionable quality.

In Prizren there is 1 public university, 3 branches of private colleges and 8 upper secondary schools, of which 2 private and 2 public high schools and 4 vocational schools. There are also gymnasiums and vocational schools in other municipalities of the Prizren region.

Prizren also has a Career Center as well as a Vocational Training Center with a wide range of 3-month training certified courses. More detailed data on the programs of these educational and vocational training institutions are presented below.

These educational institutions aim to prepare the younger generations based on the market demands and potentials of the region including tourism as a strategic sector in the region along with agribusiness, food and light industry and services.

In January and December 2019, public school employees of all levels from the region and country as well as other sectors such as health, miners, public administration were involved in a strike as social dissatisfaction regarding treatment in terms of working conditions and discrimination in ranking in the wage law which was approved in parliament under an agreement with the education union which terminated the strike.

The PISA achievement test score the first time it was applied it showed poor results as the students were reportedly not prepared for the test format, while the PISA second test result in December 2019 put Kosovo in third lowest place.

During the long debate in the media, governmental and educational institutions, it was highlighted both the appreciation and demand of the Government and MEST but also the opinion that education should be supported as much as possible, respected for the role it has been played in society during 90s during the successful functioning of the parallel education system in Kosovo and onwards, but there is also a public demanded to increase the quality of education after international achievement indicators such as the PISA test etc. did not yield satisfactory results. Therefore, all parties expect an increase in educational quality and radical reform of the education system including profiles and adjustment of adequate number of

teachers per student, working conditions, their preparation for new curricula, continuation of pilot schools, etc.

### **2.2.1 Profiles of secondary and high education in Prizren Region**

According to the portal [www.busulla.com](http://www.busulla.com) developed by MEST for vocational education, training and career counseling in Kosovo, there is a public university "Ukshin Hoti" in Prizren with the following study programs: "Cultural Heritage and Tourism Management"; preschool and elementary education; legal; economic (international management, business administration and accounting and auditing); philological (foreign languages English and German); computer science (Computer Science and Communication Technology; IT and telecommunications, software design); and the Faculty of Life Sciences and Environment (Forestry, Agribusiness Environment) (Busulla, December 2019).

Prizren also has branches of private colleges such as AAB, International College and Fama which offer a number of study profiles.

According to the portal Busulla, in the municipality of Prizren there are 8 public high schools (4 vocational 2 public and 2 private gymnasiums) and 10 competence centers with 10 vocational education and training programs.

These institutions offer a total of 45 education professions. The 'Busulla' (compass) portal does not provide data on the level of programs of international standards.

Vocational schools and occupations in the municipality of Prizren (as the center of the southern region) are listed below as well as those missing in this region compared to some other regions.

HS Gimnazium "Remzi Ademaj" – study programmes: natural and social sciences.

HS Gimnazium "Gjon Buzuku" - study programmes: natural and social sciences in Bosnian and Turkish languages.

Technical HS "11 March" – study programmes: automomechanique, electrical installations, architecture, graphic design, textile and clothing design, road traffic, geodesy, electric cars, computing, water and sewage installers, and metal processing.

SH.M.E. "Ymer Prizreni"

Economics HS "Ymer Prizreni" – study programmes: food technology technician, hoteliery, law, economics and agriculture.

Medical HS "Luciano Motroni" - study programmes: general nurse in Albanian, Turkish and Bosnian languages and pharmacy technician.

Music HS "Lorenc Antoni" – study programmes: violoncello, viola, bass player, trumpet, saxophone, clarinet, flute, ballet, solo singing, guitar, percussion, piano and instrumental.

In the municipality of Prizren there are two general private gymnasiums: the "International Maarif schools of Kosovo" and the "Association Loyola Gymnasium".

Competency Center - offers 10 professional programs: Human resources development officer; Information office assistant and travel agencies; Leader of travel and tourist groups; Event organizing assistant; Export - import clerk; Customer service and sales; Finance clerk; Marketing officer; Bank clerk; Industry officer ([www.busulla.com](http://www.busulla.com), December 2019)

The UNDP publication on Workforce Skills Needs in Kosovo (2016) lists the following vocational schools in the Peja, Gjakova and Prizren regions (presenting three regions for broader information and consideration of complementarity exchanges).

**Food processing - the following profiles:**

**Food technician:** Peja (Economics High School (HS) Ali Hadri), Klina (Fehmi Agani HS), Gjakova (Kadri Kusari HS), Prizren (Ymer Prizreni HS), Suhareka (VSS Shiroke).

**Dairy, meat and fruit processing:** only in Prishtina, missing in Peja, Gjakova and Prizren regions.

**IT - Workflow Contracting and Customer Support Centers - the following profiles:**

**Informatics:** Istog (HS Mithat Frashëri), Klina (HS Fehmi Agani), Decan (HS Tafil Kasumaj), Prizren (HS 11 March), Peja (Technical HS Shaban Spahija, Deaf school Xheladin Deda), Gjakova (Technical HS Nexhmedin Nixha, and HS Gjon Nikollë Kazazi).

**TeLPEommunications:** Peja (Technical HS Shaban Spahija) and Prizren (HS 11 March).

**Post telephone communication; IT assistant; IT services:** missing in Peja, Gjakova and Prizren regions.

**Metal processing**

**Metal producers:** missing in the region.

**Welders:** Istog (HS Mithat Frashëri), Prizren (HS Mother Teresa), Suhareka (HS Skender Luarasi), missing in Peja municipality.

**Metal processing:** Istog (HS. Mithat Frashëri), Klina (HS Fehmi Agani), Prizren (HS 11 March) - missing in Peja and Gjakova municipalities.

**Textiles**

**Clothing manufacturer:** missing in Peja, Gjakova and Prizren regions.

**Tailors:** Peja (HS Shaban Spahija), Gjakova (HS Nexhmedin Nixha), Prizren (HS Mother Teresa), Suhareka (HS Skender Luarasi). There is at least one accredited private tailoring company (in 2018) that started offering certified tailoring courses in Peja, Prizren and Pristina municipalities.

**Textile and clothing design:** Peja (HS Ali Hadri), Deçan (HS Tafil Kasumaj), Gjakova (HS Kadri Kusari), absent in Prizren region.

**Hoteliery & tourism**

**Assistant Restaurant:** Prizren (Ymer Prizren School) - missing in Peja and Gjakova region.  
**Chef:** missing in Peja, Gjakova and Prizren regions.

**Tourism Assistant:** Pristina only - absent in Peja, Gjakova and Prizren regions.

**Gastronomy and tourism services:** only Malisheva Center of Competence (Gjakova region), absent in Peja and Prizren regions.

**Travel Guide, Helpdesk/Information Offices and Tourist Agencies, Event Planner:** Prizeren (Prizren Competence Center) - absent in Peja and Gjakova aregions.

**Wood processing**

**Woodworking: (Ferizaj only)** - absent in Peja, Gjakova and Prizren regions.

**Carpenters:** Peja (HS Shaban Spahija), Prizren (HS Mother Teresa) - absent in Gjakova region.

**Supporting study profiles**

**Machine mechanic:** Peja (HS Spahija), Decan (HS T. Kasumaj), Suhareka (HS S. Luarasi).

**Production/processing operator:** Istog (HS Mithat Frashëri), Gjakova (HS Nexhmedin Nixha), Klina (HS Fehmi Agani), Suhareka (HS S. Luarasi).

**Tool maker:** Istog (HS Mithat Frashëri), Suhareka (HS S. Luarasi). – missing in Gjakova Region.

**Interior dsign:** Peja (Arts HS O. Paskali); Prizren (HS 11th March), missing in Gjakova region.

**Graphic design:** Peja (Odhise Paskali Arts High School), missing in Gjakova and Prizren regions.

**Industry officer:** Prizeren (Prizren Competence Center), absent in Peja and Gjakova regions.

**Computer machine operator:** Peja (HS Shaban Spahija), missing in Gjakova and Prizren regions.

**2.2.2 Missing VET Professions in the Prizren Region**

According to UNDP research report on skills need in Kosovo (2016) are presented in the following table in line with respective industries.

INDUSTRY	Missing VET professions in Prizren Region
<b>Food processing</b>	Processing of dairy, meat, fruit and vegetables
<b>Telecommunication</b>	Post telephone communication; IT Assistant; IT services, computer operator
<b>Metalurgy</b>	Metal production and processing
<b>Tekstile</b>	Textiles producer
<b>Hoteliery &amp; Tourism</b>	Restaurant assistant, Chef, Tourist assistant, Travel guide, Information Officer & Tourist Agent, Event Planning Assistant.
<b>Wood processing</b>	Woodworking, Carpentry, Tool manufacturers, Interior design, Graphic design, Industry clerk.

### **2.2.3 UNDP Recommendations about Work Skills Gap in Kosovo**

A report, "Global Skills Gap: Student Misunderstandings and Institutional Solutions" estimates that in order to address the global challenge of the workforce skills gap, due to low birth rates and rising population aging in times of rapid technological change, higher education institutions should provide education which besides specific skills equip the future workforce with generally applicable soft skills.

The problem is about high schools. Old untrained employees who cannot be replaced by higher education students, thus partnership is needed, as is happening in many countries, to quickly train this category for tomorrow's jobs. A special role in filling this gap play immigrants. To attract and retain talent in many job sectors, through the EU Student and Research Directive is simplifying migration procedures for researchers, students and trainees of vocational schools and alike (blog.goingglobal.com, December 13, 2018).

General soft skills, or as the teaching expert Trevor Muir values skills such as collaboration, critical thinking, work ethic, 3K (communication, confidentiality and creativity), behavior and time management are "essential" features for success and calls not to be named "soft skills" but "essential skills", as success or failure depends in a great deal on it, so say HR practitioners too.

These and other basic-level skills, recommended by UNDP based on the 2016 research, are needed and applicable in all fields, but according to the study focused on included six industries in Kosovo (food and meet, metal and wood processing, textiles, hoteliery and tourism and ICT) as such skills are interdisciplinary by nature and widely applicable, some less other more depending on the specific profession and the role of employees in the enterprise.

A reflPEting session on UNDP findings and recomendations about soft skills gap in Kosovo was analyzed by employment stakeholders - members of Peja Local Partnership for Employment (LPE) during a workshop heald on March 14, 2019.

The level of soft skills in Peja minicipality, as per the participants experience and perceptions varied from poor (1) to very good (4) in a Likert scale 1 min to 5 max, such as training others to mentor and manage others, individual work, etc. as well as the level of information available to the public and businesses on VET and VTC programs were assessed at poor level, other skills at medium to good, while languages (especially English) was considered to be at very good level.

Results are presented in the "Situation Analysis" section at chapter 3 of this Strategy.

## 2.3 Social Inclusion



The World Bank (WB) defines social inclusion as integrating the 2 Sustainable Development Goals defined at the UN historic summit 2015 as a sustainable development agenda by 2030 - eradicating poverty and increasing prosperity in an integrated way as "process of improving conditions like the skills, opportunities and dignity of individuals and disadvantaged groups, based on their identity, to participate in society" (World Bank).

The Inequality or disadvantage comes as a result of differences based on one or a group of identities (inherited and/or acquired) such as gender, ethnicity, religion, employment status, disability, origin, in particular for emigrants, origine including urban/rural, sexual orientation, association, views/interpretations, etc. The more elements and intersections between these elements the lower the level of social inclusion is.

Various elements of inclusion are subject to laws, strategies and other thematic and intersectoral plans such as increasing participation of young people, women, minorities or other groups that may be disadvantaged in decision-making, voting, education, employment, representation through associations that promote and advocate the advancement of these groups, political parties, quotas in public sfere personel (legislature, executive and judiciary), and various important security organizations such as police, Kosovo Security Force, etc.

Despite the traditional attribution of some jobs like salesman, secretary, mechanic, waiter, etc. to a particular gender, in Kosovo and at the local level, have begun changing practices in the business community which is also talking about corporate social responsibility and any rare case, of engaging in employment of persons with disabilities.

Even if there is employment of people with disabilities, the involvement may be superficial, as is the case with inters, excluding profilised organizations like HndiKos where the leaderof Peja office was a diligent woman with physical disabilities (in wealchair), same is the head of the organisation. There is no genuine research into the state of social inclusion and impact of any or some elements at the local circumstances and arrangements.

As WB sugests, Social inclusion is applicable in project, program and policy analysis, and it has to adhere to the instructions by following the rule of making 3 "correct questions":

- **Who?** – Identification of disadvantaged individuals / groups in general or related to a specific sector such as employment and other related;
- **How?** – Analysis in the form of the matrix of the state of each identity element of individuals / groups that can and how contributes to the unfavorable situation;
- **What?** – Measures and measurable indicators are proposed for increasing "skills, opportunities and dignity" for the participation of a particular disadvantaged group in society.

At the country level, there is the strategy 2017 - 2021 for increasing the inclusion of Roma and Ashkali communities in Kosovo society through measures in education, employment, health and

housing. Whereas for other marginalized groups no such document was found. As by law and policies, minimum 30% quota of women in the parliament, reserved seats for Kosovo Serb minority and other examples of underrepresented groups are being empowered, engaged and employed.

At a workshop organized on 14 March 2019, participants - members of Peja LPE were introduced to the concept, assisted by the following table and asked to identify and evaluate any disadvantaged groups and on what basis their identity and level of exclusion (using "0" rating scale for no; "-" min; "+" average, "++" a lot or Likert scale 1 min to 5 max).

	Some elements of identity									
Disadvantaged groups	Sex	Ethnicity	Religion	Employment status	Disabilities	Origin	Urban/rural	Sexual orientation	Association	Views
Young people periphery/ rural										
Elderly people										
Women										
Minority										
Other										
<b>* Total:</b>										

**\*The more elements and points of contact between them, the level of social inclusion is lower.**

As the participants felt not confident, the analysis was postponed with the proposal to deal with an institution/association focused on more data on social inclusion and to consult any local situation report in the municipality/region of Peja. The following table was developed as a condition identification tool but was not used.

Therefore, the following is a review of gender perspective in employment and education in Kosovo by Kosovo Women's Network (2018) with related policy recommendations and a research findings report on employment and education situation of rural youth based on a LENS survey (2018).

### **2.3.1 Gender inclusion in education and empowerment**

The Kosovo Women's Network has conducted a gender analysis in Kosovo in 2018 which calls for the support of government measures in the education and employment sectors based on the results of its gender perspective analysis presented below. The analyses note high level of women inclusion in education system and less in employment. The following is education perspective, followed by the employment.

#### **Education domain from gender perspective:**

Objective: "Equal access for girls and women to all levels of quality education and vocational education and training (VET) free from discrimination" through 10 suggested following actions:

- 1) "Design and institutionalizing teacher training on undoing socialized gender norms, roles and stereotypes, as well as gendered power relations.
- 2) Promote gender-equal role models in the transition from education to the labour market through curricula and gender parity among teachers (GAP 13).
- 3) Install affirmative measures for hiring men as pre-school teachers and women in higher education institutions.
- 4) Encourage MEST to budget for and employ more psychologists in schools, and enhance their professional capacities in addressing gender-based violence and preventing drop-outs.
- 5) Institutionalize and 'provide education (both formal and nonformal), that addresses gender stereotypes, and allows for lifelong learning' (GAP 13) for children at all levels.
- 6) Support development, institutionalization and promotion of more diverse VET programs that address market needs and are tailored to women's particular needs.
- 7) Develop care availability and other affirmative measures that will support women's attendance of vocational and adult education.
- 8) Improve education accessibility for children with disabilities, particularly girls, by allocating resources for personal assistants, accessible transport, accessible buildings and adequate didactical materials.
- 9) Expand pre-school availability in accordance with the EU Barcelona Objectives, including gender relations in the early education curricula [and stimulate increase of attendance (actual 15.5%)].
- 10) Improve data collection regarding educational attendance and attainment, disaggregated by both ethnicity and gender." (p. 34 - 35)

#### **Employment domain from gender perspective**

"In 2015, 18% of women and 17% of men lived in poverty." (p.37). Based on the labour force indicators in 2017 presented at table below (left) by the KWN publication, from gender perspective, it is clear that women are underrepresented in labour market participation and employment, associated with high inactivity and unemployment including youth unemployed and not in employment, education or training (NEET). The same show two tables (right) more men employed through employment offices (EO) and attending Vocational Training Centers (VTC), while occupational segregation goes by "gender roles".

Key Labour Force Indicators (2017) <sup>78</sup>			
Indicator	Total	Men	Women
Labour Market Participation	43%	65%	20%
Employment to population ratio	30%	47%	13%
Inactivity	57%	34%	80%
Unemployment	31%	29%	37%
Youth Unemployment (15-24)	53%	48%	64%
Youth NEET	27%	24%	31%

Persons Attending VTC by Gender			
Year	2015	2016	2017
Women	44%	27%	34%
Men	56%	73%	66%
Total	4055	6736	5962

Persons Who Found Employment through EOs by Gender			
Year	2015	2016	2017
Women	34%	39%	40%
Men	66%	61%	60%
Total	3574	4022	3215

Tables: Kosovo Gender Analyses (2018)

Based on its findings and other policy work, KWN suggested as an objective to “[Improve] ‘access to decent work for women of all ages’” through the following 7 actions:

1. **“establish more day care centres for children, the elderly and persons with disabilities**, which will enhance educational outcomes (and employability of future generations), create new jobs including by transforming unpaid work to paid work and relieve women from socially ascribed unpaid care roles so that they may seek employment.
2. **‘Support gender sensitive legislative and public finance reforms**, which account for the role of women in the care economy, unpaid labour, unequal gender distribution of family responsibilities, overrepresentation in the informal economy, women in agriculture, and the gender pay gap’. Strongly encourage the government to work closely with WCSOs and draw from Kosovo-specific evidence to amend the Law on Labour and to transpose the [EU] Parental Leave Directive, the Directive on the application of the principle of equal treatment between men and women engaged in an activity in a self-employed capacity and, potentially, the work-life balance Directive (if adopted). Then, ‘support institutional capacity to deliver on these reforms and policies’ (GAP 14).
3. **‘Support challenges to social norms and attitudes** that hinder women’s economic empowerment, including economic and social recognition of unpaid and care work’ (GAP 14)
4. ‘Analyse and **address the [...] female workforce in the informal economy**’ (GAP 14, 6.1)
5. **Support the Kosovo Agency of Statistics (KAS) in institutionalizing regular gender analysis** pertaining to the gender pay gap, which will contribute towards establishing the Gender Equality Index (GAP 6.1). Also support KAS in institutionalizing a regular time-use study, which would reveal information about the informal economy as well as the ways in which women and men spend their time.
6. **Support EO in furthering capacities to better record reasons why women or men do not secure employment through EO**, towards identifying improved approaches.
7. **Support innovative programs tailored to supporting women’s employment”** (p.39-40).

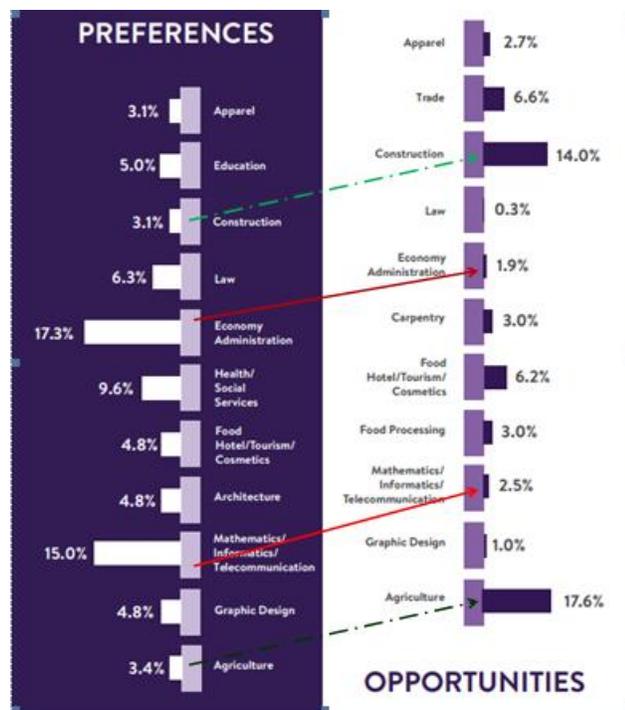
### **2.3.1 Rural Youth Employment Inclusion**

It is estimated that about 65% of young people in Kosovo live in rural areas. They face greater barriers to education and employment than urban youth who have better access to education, counseling and employment services that are lacking in the suburbs, estimates LENS (KAS 2018).

Referring to consultation with a group of students from Haxhi Zeka University in Peja (May 2019), 70% of students who have completed vocational education now pursue high education, mostly law. The composition of the study areas of the students participating in the consultation was 64% law, 20% accounting/banking and finance, 12% business administration and only 1 student (4%) food/agribusiness technology.

Referring to a youth unemployment survey focused only on rural areas - rural youth as a group of the society disadvantaged/not included in employment measures and in difficult socio-economic situation, lack of services, schooling and employment challenges, however with encouraging data at least for some industries with more promising employment opportunities, but career orientation of these young people seem to be largely incompatible with employment prospects with the exception of hoteliery and tourism, which according to this study supply and demand appears to be balanced.

Although the study focuses on the issue of rural youth employment, it is indicative in general. In 2018, based on its research, NGO LENS realized that employment opportunities for rural youth in fields of economics, administration, mathematics, computer science and law are much lower than youth orientation towards these professions. Whereas at least two of the areas with the highest employment opportunities, according to the research, the orientation of rural youth towards agriculture and construction career is extremely low. In economic terms, this is a lost employment opportunity. While somewhat more balanced is the market demand with the offer of these young people in the of hoteliery and tourism. The following is a list of study preferences for rural youth and percentage of employment opportunities according to the LENS 2018 study.



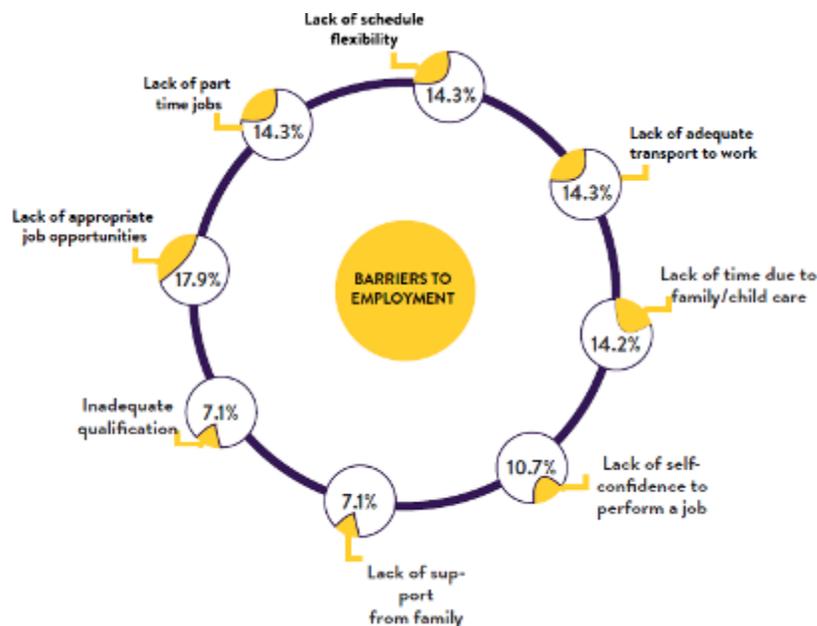
KOSOVO RURAL YOUTH Employment Opportunities, Barriers, and Needs (2018) LENS, Prishtine (Fq. 35) <https://www.ngolens.org/wp-content/uploads/2018/12/RVEO-English-PRINT.pdf>

Therefore, at that meeting, students were encouraged to be vigilant, to understand and follow the labor market trends, where an orientation opportunity is expected from the Center for Career Orientation at the University, the Career Centre in Peja and other institutions such as LPE, Employment Office, media, etc. provide information that can serve secondary and university students for career guidance.

In addition to distance and challenging access to education, career orientation and employment, “rural youth also face lack of social networking opportunities, lack of employment opportunities [and information], poor public transport and high housing costs in urban areas (Cartmel & Furlong, 2000, p. 2). Research shows that over the long term these barriers lead to social marginalization and the exclusion of rural

youth that further reduces their employment opportunities (Cartmel & Furlong, 2002). Therefore, it is very important to reduce the urban-rural divide and increase the linkage between rural areas and economic development” LENS calls on its publication on rural youth employment in Kosovo (2018).

The following chart shows some identified barriers and level of impact (in percentage form) on rural youth unemployment in Kosovo (LENS 2018, p. 33). The biggest obstacle, as many residents say, is the lack of work (18%), then the category with lower contribution (about 14%) is the lack of part-time work, flexible working hours, transportation, lack of time due family/child care. Somewhat at lower level (10%) is considered to be the impact of lack of self-confidence of rural youth to perform a job, while the lowest impact barriers (7%) on rural youth employment are inappropriate qualification and lack of family support.



Also, the low participation in education, especially compulsory primary education at the rate of 26% of the respondents are from the Roma, Ashkali and Egyptian (RAE) community is alarming and with the lowest employment level of 10% makes youth of this community be marginalized as the LENS 2018 publication warns.

In terms of age group, youth in general and in rural areas, according to this study, appear to have higher employment chances at the age of 18-24, while the number of unemployed women dominates as in other communities.

### III. EMPLOYMENT STAKEHOLDERS and STRATEGIC ORIENTATION

Among the stakeholders in the field of employment - namely tackling the problem of high unemployment, we distinguish organizations at local, national and international level.

#### 3.1 Employment Stakeholders at the national level

Addressing the issue of employment in Kosovo includes central government institutions, international organizations, business and civil society. MLSW and MEST are the two main stakeholders of central government in employment matters, especially with the International Labor Organization (ILO) through technical assistance and various projects, the Ministry of Labour and Social Welfare (MLSW) and the Ministry of Education, Science and Technologies (MEST) are the two main stakeholders of central government in employment matters, alongside the International Labor Organization (ILO) through technical assistance for various projects, businesses and civil society organizations that tackle and advocate for employment issues through consulting and advocacy in the formulation of public policies and fiscal arrangements aimed at stimulating/enhancing employment and other related activities, including non-formal education, as well as public and private higher education schools in Pristina and other decentralized regions.

At central and local level, political parties also play an important role through programs on a variety of topics, including employment, which appear in eLPEtoral campaigns, which with the coming to power are expected to turn into laws/amendments of law, public policy, strategies and action plans of central and municipal government.

#### **Ministry of Labour and Social Welfare (MLSW) and Employment Agency**

As its name shows, the MLSW is a central government institution that deals with employment and social welfare issues at the country level and in accordance with Labor Law No. 03 / L-212 through various general functions like data collecting, policymaking and technical and financial support in these two areas, especially on the welfare field, since in Kosovo the unemployed do not receive financial support, but assistance in the form of vocational training, career guidance and employment referral, which is realized through the Employment Agency (EA) as a specialized institution of MLSW established by law no. 04/L-205 that is focused on employment and vocational training issues and consists of headquarters, and at the local/regional level provides services through employment offices (EOs) and vocational training centers (VTCs).

#### **Ministry of Education, Science and Technologies (MEST)**

Vocational education and training is regulated by the Law on Vocational Education and Training no. 02/L- 42, 23 February 2006, repealed by Law no. 04/L-032 on Pre-University Education in the Republic of Kosovo, with the exception of the vocational training provisions which remain in force (INDEP 2014).

#### **Government (Office of the Prime Minister) and Ministries**

The government initiates policies and laws directly or indirectly aimed at reducing unemployment in the country, which are discussed and approved by the Parliament. In addition to MLSW, other ministries such as the Ministry of Economy and Industry, Ministry of Economic Development, Ministry of Innovation, Ministry of Diaspora, Ministry of Youth, MEST, etc.

contribute to tackling the issue of unemployment through inter-ministerial committees in drafting national laws, policies and strategies, often assisted by international institutions through the provision of expertise, exchange of experience and technical financial support.

#### **International Labour Organisation (ILO)**

The ILO operates internationally and is present in Kosovo through various projects which contribute mostly to expertise in policymaking in the field of employment through technical and financial support provided to the government and those projects.

**Kosovo Agency of Statistics (KAS)** with data it collPEts from various sources and publishes periodically, including the unemployment rate, etc.

#### **Economic Chamber**

Chambers of Commerce can serve to identify labor market requirements with the condition that businesses are organized.

#### **Businesses and Civil Society**

Private and non-governmental organizations (with a service, manufacturing, consulting profile) play an important role in increasing the employability and competitiveness of the workforce at national and local/regional level with identifying problems and solutions, orienting towards labor market trends, actively participating in policymaking, strategic planning, research, capacity building through training, exchange of experiences, services including information technology in innovation centers, etc. and advocacy of issues of high importance, including employment growth.

For the creation, development and well-being of these individual, small, medium and large companies contribute to a large part of the male and female workforce. According to the Business Registration Agency (KBRA), at the Kosovo level in the first half of 2018, gender participation as individual business owners - usually small, was in the ratio of 1 woman to 2 men respectively 30% women - 70% men. Whereas the participation of women in business (as partner or shareholder in large business) during the same period turns out to be 50% lower, respectively around 15%, while males to a greater extent of 85%. At the municipal level there is no data available on businesses (Quarterly Report I and II 2018, KBRA).

#### **Public and private schools**

Public and private secondary and high schools, including vocational schools and vocational training and adult education, play an important role at the national and local levels in preparing the workforce needed and also in line with labor market trends. Therefore, they have to orient their programs in order to meet the needs according to the “supply-demand” principle, thereby contributing to reducing unemployment.

### **3.2 Employment stakeholders in Prizren Region**

At the local level, in the Municipality of Peja addressing the employment issue includes stakeholders such as the Employment Office, the Kosovo Chamber of Commerce (KCC) Regional Office, the Vocational Education Center (VTC), schools, businesses, political and other political organizations or those from the civil society.

### **The Employment Office in Prizren (EO)**

The EO has its regional office in Peja and covers the municipalities of Peja, Istog and Klina. By law, local employment offices within the MLSW, are "responsible for consulting and directing candidates to take part in different programs at the training centers, collecting data and monitoring the qualifications offered through VTCs for registered jobseekers". According to this definition of the PEO role, this office maintains a record of employer requirements for different profiles and skills and respectively makes referrals to registered jobseekers based on the profiles required by employers.

### **Vocational Training Centers (VTC)**

VTC exclusively trains jobseekers registered in employment centers that are oriented towards the labor market needs, through up to 3 months courses organized in 6 vocational training centers, one of which is located in Peja.

**Kosovo Chamber of Commerce (KCC) Regional Office in Prizren** – is a member of the Local Partnership for Employment in Peja Municipality. The local contribution of KCC to the field of employment is unknown.

### **Businesses**

Some businesses in the municipality of Prizren contributed to market situation analysis in market analysis and needed skills including "soft" ones.

### **Civil Society**

Non-governmental organizations play an important role in enhancing the employability and competitiveness of the workforce at national and local/regional levels by identifying problems and solutions, orienting to labor market trends, active participation in policymaking, strategic planning, research, capacity building through training, exchange of experience, services such as information technology in innovation centers, etc., as well as advocacy on different issues including employment.

### **Public and private schools**

Public and private secondary and high schools, including vocational schools and vocational training and adult education, play an important role at the national and local levels in preparing the workforce needed and in line with labor market trends. Therefore, they have to orient their programs to meet the needs according to the "supply-demand" principle.

### **Career Center in Prizren (CCP)**

The mission of the CCP is to connect employers, schools and students in the municipality of Prizren through "supporting students in improving career management skills, linking to the labor market, sharing labor market information, education and training, and successful networking with stakeholders" through supporting and providing services and advising students to make the right career choices and increase employability. Beneficiaries and stakeholders in the CCP are VET students, graduates, school leavers, businesses, parents, authorities and the community.

### **Local Partnership for Employment (LPE)**

Despite efforts under the SEED II regional program implemented by the NGO "Syri i Visionit", for various reasons, including political instability in the municipality of Prizren, no such partnership has been established as in Peja and Gjakova (2017) based on good EU practice and some countries in the region. However, the stakeholders involved in the strategy workshop (7-8 November 2019) showed interest and willingness to establish this partnership in Prizren too as a non-traditional form of organisation aimed at increasing employment in the municipality of Prizren. Moreover, the establishment of such partnership in Prizren was considered a missed opportunity for local and international exchanges and grants attraction such as those of EU employment and social inclusion, etc.

It is expected that the LPE will be composed of representatives of the Assembly (position and opposition), Directorates of Education and Tourism and Development, Employment Office, VTC, Career Center, KCC, academia (university vocational high schools), businesses and NGOs. The eventual establishment and development of the LPE is part of this Strategy and Action Plan.

### **3.3 Employment Strategic Orientations**

Regarding the problem of employment, despite the different levels in different countries, at the European level, there is the European Strategy 2020 which deals with employment, innovation and poverty. At the national level, there is a strategy - Action Plan for Youth Employment.

#### **3.3.1 Action Plan on Youth Employment Growth 2018-2020**

The MLSW Action Plan on Youth Employment Growth 2018-2020, together with other governmental, non-governmental and private stakeholders, aims to achieve 4 specific objectives through 30 measures with a budget estimated of € 17,440,104. A summary of the measures in this plan (referred to as the MLSW Employment Plan) is as follows:

Objective 1 - MLSW Employment Plan:

**"Increasing the youth access to the labor market by providing quality employment services (counseling, career guidance, internship programs, employment mediation at home and abroad, etc.) and active employment measures."**

The 10 measures identified in the plan to achieve this objective include: research of sectors with potential youth employment, analysis of good practice in providing services related to active labor market measures (ALMM) and their adaptation to the country, including professional internships for postgraduates and on the job by providing new job knowledge and general soft skills, salary subsidies; employment mediation, providing opportunities for "circular migration" (implying periodic movements in and out of the country for regular work reasons), promoting the VTC and EO and increasing the number of young people in vocational training provided by VTC, including providing contracted trainings by these centers as demanded by the labor market, recognition of internship and volunteer work as work experience through an amendment of the labor law that is expected to influence youth social inclusion and capacity building which affects solidarity and employability, especially for postgraduates from whom is required documented work experience, as well as training in information and communication technologies.

Objective 2 - MLSW Employment Plan:

**“Increasing employment through youth entrepreneurship development and developing existing youth-owned enterprises”** through 4 measures identified as providing project proposal training – drafting business and entrepreneurship plans in the VTCs and outside them -in such as youth centers supported by Ministry of Culture, Youth and Sports (MCYS), training for young farmers and providing counseling through the Kosovo Investment and Enterprise Support Agency (KIESA), as well as grants for start-ups.

Objective 3 - MLSW Employment Plan:

**"Harmonization of vocational education and training with labor market requirements and provision of career guidance and counseling services".**

The 11 measures identified in the plan to achieve this objective include: 3-year periodic sectoral research on curriculum compliance with the labor market, increasing cooperation among stakeholders in employment especially schools and businesses, improving the labor market information system and adapting VET, drafting, testing and validation of vocational education standards, drafting and implementation of modular curricula in VET and necessary capacities, such as teacher training and preparation of didactic teaching materials in 7 areas of wide application, and periodic review of VET study profiles.

Other aspects are stimulation of studies in deficit areas and the inclusion of women in technical education profiles through public-private scholarship fund. Identification of needs and development of 5<sup>th</sup> level post secondary qualification programs according to National Qualifications Framework (NQF). Conducting presentations in schools (grades 8 – 9) on businesses' needs for professional staff and awareness of employment opportunities. This objective also includes increasing the number counseling and career orientation centers and enhancing capacities through the appointment career counselors at school and teacher training on counseling and guidance and providing such services, as well as monitoring the impact on employment of VET graduates, Higher Education Institutions (HEIs).

Objective 4 - MLSW Employment Plan:

**“Improving the quality of practical teaching in school and professional practice outside of school”**

This objective includes 5 measures including the equipping workshops/laboratories for basic VET practice; again comes the idea of signing cooperation agreements and stimulating businesses to perform quality professional practice in their companies, including training of instructors/mentors in those companies and providing them with Rules of Procedure - Code of Conduct and Occupational Safety for Interns and payment of health insurance as a measure of motivation and safety for them.

### **3.3.2 European strategy 2020**

The Strategy has 3 goals: 1) employment and economic growth; 2) innovation, 3) fighting poverty.

**Employment and social innovation program** (The Employment and Social Innovation (EaSI) Programme) is a European Commission financial instrument that supports three programs based on the concept of social innovation which has a special focus on youth known as "3Ms":

- Modernization of employment and social policies,
- EU workforce mobility (EURES program), and;
- Microfinance to support creative start-up micro business ideas for disadvantaged groups (economically backward groups, etc.) as well as social entrepreneurship- the development of social enterprises where their main reason is social, not just profit.

"Social innovations are new strategies, concepts, ideas and organizations that meet the social needs of various elements that can range from working conditions and education to community development and health - they expand and strengthen civil society. Social innovation involves processes of social innovations, such as open source methods and techniques, as well as innovations that have a social purpose - such as activism, online volunteering, microcredit or distance learning. "(Wikipedia)

"**PROGRESS** Employment and Social Solidarity Program" - <http://ec.europa.eu/progress> under the European Strategy 2020 supports 3 activities:

1. **Analysis - gathering evidence that is useful for policymaking**, through research and periodicals related to employment. (Other aspects of PROGRESS are the MISSOC comparative database on social protection and inclusion in 31 European countries, comparative data on working conditions in 36 European countries, research on gender equality as a gender-based database of men and women in decision-making positions in 34 European countries and reports on prohibited discrimination of human rights, as well as monitoring the applying of laws and their revision).
2. **Mutual learning, awareness and dissemination of information and experiences:**
  - Identify and transfer the tools needed for early identification of green economy abilities/skills needs that relate to the 3 aspects of sustainable development; social, economic and environmental issues. For more, see "New Skills for Green Jobs: A Case for a More Inclusive Labor Market".
  - Evaluation of public employment services (centers) against a standard (good practices in the country/region) and increase effectiveness and efficiency of these services as a result of monitoring the activities aimed at capacity building, such as information, counseling, career guidance , reference, etc., including activities for the drafting individual action plans for job seekers, their profile, especially for young people with disabilities, through information, reorientation, vocational training, etc. and the exchange of good knowledge and expertise in the country/region.
  - Mutual learning in social protection and inclusion that supports the three objectives of the European Strategy 2020 and aims at social innovation.
3. **Support for Stakeholders** as NGOs/networks that serve as sources of information for policymakers and other stakeholders, such as strengthening cross-sectoral access to employment and social policies and other similar activities.

**Opportunities for grant support with PROGRESS:**

Municipalities, Employment Offices, NGOs, higher education institutions, evaluation experts, etc. from EU countries, EEA, EFTA, and EU candidate/potential candidate countries, in accordance with the general principles and general conditions in the framework agreements concluded with them on their participation in EU programs (<http://ec.europa.eu/social/easi>).

#### IV. ANALYSES –EMPLOYMENT, EDUCATION and SOCIAL INCLUSION

SWOT analysis conducted in the workshop with employment stakeholders held on 7-8 November 2019 in Prizren, the 3 thematic groups analyzed the situation on employment, education and social inclusion as cross-cutting issues that form the basis of development of the strategy and action plan for increasing employability as well as a 360 degree assessment of stakeholder / employability capabilities through a self-assessment questionnaire and for others.

In addition to the SWOT analysis on education issues, stakeholders reflected in UNDP recommendations on the need for soft skills for the labor market by filling a questionnaire. In addition, to draw attention to career orientation and related aspects, this section also includes a case study with university students in Gjakova, where students from the Prizren region are also gravitating, albeit in small numbers. These data are important for alerting the stakeholders involved in VET and employment in Prizren in order to conduct comparative research, identify problems and take action in subsequent cycles of strategic planning and implementation of the action plan of this strategy.

The SWOT analysis technique consists of internal and external positive and negative factors. The following are results of SWOT analysis of the three above mentioned themes.

##### 4.1. SWOT analysis results - Employment in Prizren Municipality

<p><b><u>Strenghts</u></b></p> <ul style="list-style-type: none"> <li>• Young population;</li> <li>• Workforce qualifications</li> <li>• Increasing the income of businesses and families;</li> <li>• Rapid development of the tourism sector;</li> <li>• Entrepreneurial spirit (Art, Crafts, commerce).</li> <li>• Optimism</li> </ul>	<p><b><u>Weaknesses</u></b></p> <ul style="list-style-type: none"> <li>• Lack of jobs and skilled labor;</li> <li>• Inadequate / market-based qualifications;</li> <li>• Ggender inequality</li> <li>• The minimum wage rule not applied</li> <li>• No work insurance.</li> <li>• Long hours work (Non compliance with labor law).</li> </ul>
<p><b><u>Opportunities</u></b></p> <ul style="list-style-type: none"> <li>• Deepening cooperation between institutions, schools, businesses and parents.</li> <li>• Eventual facilities for youth employment (taxes, taxes)</li> <li>• Organizing cultural events like “Doku Fest” etc. that increase income</li> </ul>	<p><b><u>Risks</u></b></p> <ul style="list-style-type: none"> <li>• Risk of power loss; migrant workers abroad;</li> <li>• Decrease in business profitability;</li> <li>• Increasing social spending (pensions and families with social assistance status).</li> </ul>

##### 4.2 SWOT Analysis Results - Education in Prizren Municipality

In the workshop with stakeholders / involved in employment in Prizren municipality on 7-8 December 2019, participants analyzed the situation by SWOT technique and reflected on the UNDP recommendations based on the 2016 research report on meeting the needs for "soft" skills or as recommended by a field expert to be called "essential" skills in addition to specific and international standards in vocational education in Kosovo.

<p><b><u>Strenghts</u></b></p> <ul style="list-style-type: none"> <li>• Large number of lower secondary and upper secondary schools including vocational ones.</li> <li>• Qualified teachers for professional development</li> <li>• PU market oriented schools;</li> <li>• Memorandums of cooperation between schools, NGOs and some businesses;</li> <li>• Schools have the capacity to carry out activities such as fairs, etc.</li> <li>• Utilizing technology for textbooks and sharing experiences electronically;</li> <li>• Distribution of free textbooks to students.</li> </ul>	<p><b><u>Weaknesses</u></b></p> <ul style="list-style-type: none"> <li>• Some of the teachers have not completed the training related to vocational education.</li> <li>• There is a great lack of cooperation between businesses and school institutions.</li> <li>• A small number of students doing good business practice.</li> <li>• Lack of equipment needed to carry out the internship at school.</li> <li>• Lack of funds;</li> <li>• Businesses do not provide health insurance for interns;</li> <li>• After finishing school, students fail to work in the sector where they are qualified.</li> <li>• Little information from pupils and parents about vocational schools (lack of information / marketing).</li> </ul>
<p><b><u>Opportunities</u></b></p> <ul style="list-style-type: none"> <li>• Sufficient human and infrastructure resources.</li> <li>• Large numbers of businesses with a greater commitment may include a larger number of apprenticeships as opportunities to absorb qualified labour;</li> <li>• Increase budget per student capita and use of budget for issues related to increasing the quality of education;</li> <li>• Stimulating excellent students.</li> </ul>	<p><b><u>Risks</u></b></p> <ul style="list-style-type: none"> <li>• Decline in the number of students (this is related to the decreasing number of births)</li> <li>• Increasing emigration of young people;</li> <li>• The financial shortage of rural students to cope with the journey of education and practice;</li> <li>• Textbooks in some subjects are incomplete / up to date.</li> </ul>

Beyond the SWOT analysis, stakeholders analyzed UNDP recommendations based on the 2016 research report on the state and needs of general skills alongside specific and international standards of production and services in 6 industries in Kosovo.

The missing “soft skills” identified in the research were listed in a questionnaire where participants were instructed to make an assessment of the general situation based on their experience and perceptions. Developing mentoring/experience sharing skills or “peer to peer” mentoring as well as supervised and independent work with pressing deadlines are some of UNDP's recommendations.

The result of 11 evaluation questionnaires using the Liker scale (1 min to 5 max) for each of the 25 soft skills or skill sets in the municipality of Prizren, ranging from 2.7 to 3.6, the mean is presented in the table below, while the average of all soft skills scores is 3.1.

Soft skills suggested by UNDP (2016)	Stakeholder perception Prizren (November, 2019)
Good behavior	3
Reading and writing	3.6
Medium calculation	3.3
Basic computer skills	3.3
Verbal communication	3.3
Distant communication (telephone, letter, e-mail)	3.6
Foreign language	3
Creativity and innovation	3
Individual and team work	3.3
Problem solving skills	2.9
Entrepreneurship	3
Complex problem solving skills	2.7
Awareness and compliance of environmental regulations	2.7
Ability to adapt to new technology and work processes	3
Filling forms	3.4
Writing short reports	3.1
Basic market research skills	3
Customer care, bid preparation, order taking and sales person/online	3.4
Marketing basic skills and use of social media	3.6
Reading texts and specific instructions	2.9
Sanitary standards, safety, work protection and environment	3.5
Basic skills of HR, material and financial planning	2.9
Development of ideas /new products and application of new methods and technology	3
Career counseling, in particular for women study and work opportunities in developing industries	2.9
Quality internship	3
AVERAGE evaluation of all skills	<b>3.1</b>

The UNDP research and others suggest following:

- **Presentation of AAP curricula to employers**, visits, fairs, open days for interested persons and on-going by career counseling offices, as well as providing training and certification services to companies and schools /VEC (Vocational Education Center) for different age groups, including counseling and practical training and orientation/reorientation and career guidance for career/perspective (with the meaning of mobility for companies, whereas in schools/centers are organized fairs, activities, etc.) = 1
- **QAP should inform employers about the available training** and the possibility of providing these trainings in schools [and mobile services in the company, as suggested by the consultant], since VEC is mainly used for training jobseekers and not for professional development of company employees (with the meaning of mobility for companies, whereas in schools/centers are organized fairs, activities, etc.) = 1

*These two last recommendations are dedicated to the Employment Office, VET and VTC, therefore these institutions in particular have to reLPET.*

Note: UNDP Recommendations for specific skills + basic skills, extracted from the report are printed and placed in the participant's file for referral. The full report can be downloaded here: <http://www.ks.undp.org/content/kosovo/en/home/library/poverty/skills-needs-assessment--identifying-employers-needs.html>

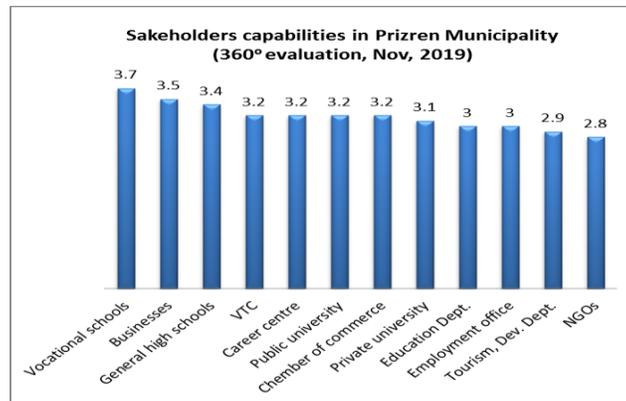
#### 4.3 SWOT analysis results - Social inclusion in the municipality of Prizren

<p><b><u>Strenghts</u></b></p> <ul style="list-style-type: none"> <li>• Law on Languages and Knowledge of Community Languages in Prizren that facilitates efficient communication and services including employment;</li> <li>• Civic activism (NGOs) advocating inclusion;</li> <li>• The advantages offered to businesses for employing minorities;</li> <li>• Interethnic and religious harmony;</li> <li>• Good infrastructure connectivity of the city with villages (asphalt roads and urban transport);</li> <li>• Good communication infrastructure in urban and rural areas;</li> <li>• Representation in local institutions for all social categories;</li> <li>• Presence of employment quotas;</li> <li>• Engage some people with disabilities in municipal administration, as an example of comprehensive orientation.</li> </ul>	<p><b><u>Weaknesses</u></b></p> <ul style="list-style-type: none"> <li>• Failure to comply with the construction law (lack of slopes, paths for the blind, etc. which affect the non-accessibility of buildings, resulting in non-employment);</li> <li>• Poor spatial planning (slopes, paths for the blind);</li> <li>• Failure to comply with the labor law (non-adherence of youth, elders, children, women etc. in planning);</li> <li>• Nepotism;</li> <li>• Lack of insurance;</li> <li>• The lowest level of education;</li> <li>• Unequal opportunities in terms of location for access to information on call for employment, capacity building.</li> </ul>
<p><b><u>Opportunities</u></b></p> <ul style="list-style-type: none"> <li>• Interest for support - European funds for inclusion and employment, etc.</li> <li>• The interest of the community and institutions for inclusion;</li> <li>• Comprehensive urban and budget planning.</li> </ul>	<p><b><u>Risks</u></b></p> <ul style="list-style-type: none"> <li>• Stereotypes regarding village-town backgrounds and polarizations.</li> </ul>

#### 4.4 360° Assessment of Employment Actors Capacities in Prizren Municipality

In the workshop organized on 7 - 8 November 2019 in Prizren with the participation of 16 representatives of relevant governmental, non-governmental institutions, businesses and high and high schools in the municipality of Prizren, participants had the opportunity to assess the state of human and physical capacities (infrastructure) and the quality of services in their organization, and express general perceptions of institutions and / or sectors directly or indirectly involved in the employment issue.

The results of a questionnaire with a Liker rating scale (1 min to 5 max) administered in this strategic employment planning workshop are presented in the following table for each variable (human, physical and service capacities), and the average of the three factors which ranges between 2.8 for NGOs to 3.7 for vocational schools is presented in the following chart in a ranking form for 12 respective stakeholders.



H

360 degree evaluation - employment stakeholders in Municipality of Prizren (Nov, 2019)												
Capacities	EO	VTC	Chemb. Com.	MED	DTD	Voc. Sch.	Gen. Schools	Pub. Uni	Priv. Uni	Career Centre	Bussin esses	NGO
HR	3	3.5	3.2	3.3	3	3.6	3.6	3.2	3.2	3.2	3.5	2.6
Infrastructure	3.2	3.3	3.3	3	2.8	4	3.4	3.6	3.2	3.5	3.5	3
Service quality	3.4	3	3.3	2.8	3	3.6	3.3	3	3	3	3.6	2.8
<b>Average</b>	<b>3</b>	<b>3.2</b>	<b>3.2</b>	<b>3</b>	<b>2.9</b>	<b>3.7</b>	<b>3.4</b>	<b>3.2</b>	<b>3.1</b>	<b>3.2</b>	<b>3.5</b>	<b>2.8</b>

As illustrated in this graph, the 360° assessment of the employment stakeholders' capacities in the municipality of Prizren (participants' perceptions for organizations and sectors of society) despite human and physical capacities assessed between above average to maximum, the quality of services falls short below average.

Calculating the three factors together, the average for most actors results in a value of 3, presented in the following three approximate groups of values from highest to lowest:

- Values 3.7 - 3.4: Vocational schools, general secondary schools and business;
- Values 3.2 - 3: Vocational Training Center (VTC), Career Center (CC), public and private universities, Chamber of Commerce, Municipal Directorate of Education (MED) and Employment Office (EO);
- Values 2.9 - 2.8: Directorate of Tourism and Economic Development (DTED) and NGOs.

#### 4.5 Students' Opinion on Unemployment – a Case Study from Peja Region

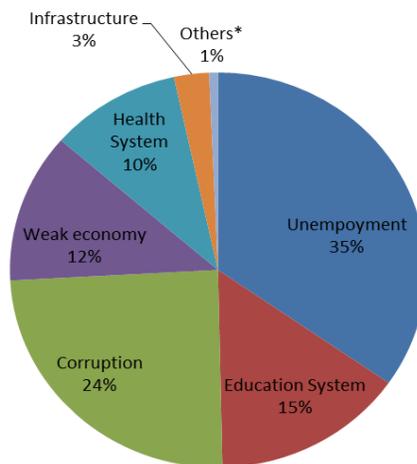
In the process of drafting the “Strategy and Action Plan for the development of human resources for employment 2020-25 in Peja Region”, a survey was conducted with students from Peja Region (Municipalities of Peja, Istog, Klina) studying in the public universities - “Haxhi Zeka” University in Peja (in June 2019) and “Fehmi Agani” University in Gjakova (in November 2019).

The survey was conducted through a questionnaire designed by the consultant Dritan Shala (consulting company "HROD") involved by the “Syri i Visionit” NGO within the framework of "SEED II" and administered by representatives of universities members of the Local Partnership for Employment (LPE).

The survey aimed to involve students of these universities of regional character in expressing opinions about the most tangible issues in the country, possible reasons for unemployment as one of the main problems and their experience in professional practice, career orientation, knowledge on the role of vocational education and training institutions and the employment office in the Peja Region (Peja, Istog, Klina municipalities). In addition, the survey also included assessing professional confidence and mobility readiness for employment at home and abroad.

Since the universities mentioned above are members of the Local Partnership for Employment (LPE), the presentation organized on May 10 in Peja and the survey conducted at both universities aimed at promoting LPE.

The following are the results of the survey conducted through 18-question questionnaire (open, multiple choice and with a “Likert” rating scale of 1min - 5max), which included 55 students of following origin - 20 from city of Peja, 18 from Istog, 15 from Klina and 2 from Decani.



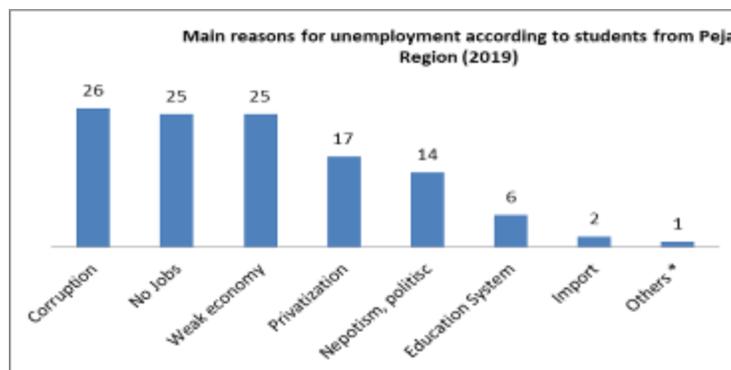
Major problems in Kosovo according to students from Peja region (2019)

According to this survey, the top 3 problems in the country are unemployment, corruption and education, then poor economy, and to a lesser extent – health system and infrastructure, as in the graph (above).

Whereas, at a much lower frequency (1 time, represented as "other\*" in the graph) the following problems are randomly listed: bad governance, degradation of institutions, weak rule of law, lack of implementation of labor law, lack of businesses and factories, private sector (unregulated), lack of perspective, employments policies, labor market that is oriented towards public sector, lack of vocational modules, supply doesn't match demand, lack of work experience, competition, "grey" hiring practices, lack of prospects, low wages and lack of foreign investment.

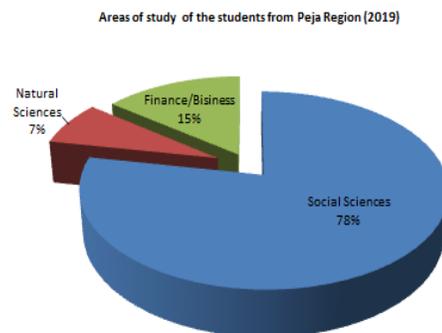
The survey results show that the **main reasons for unemployment** are **corruption, weak economy and lack of jobs**, expressed in equal measure. Less pointed factors are privatization, nepotism and politics intervention in employment, poor quality education and not in line with market demand (expressed as "too many students/graduates in some fields of study" (known as "mass production"), as well as imports.

While at low frequency (only once, presented as "others\*" in the graph), these factors are randomly listed: bad governance, lack of cooperation (municipality-youth), lack of stability, lack of development funds, poverty, lack of scholarships, failure to promote/support university graduates, lack of internships, security and youth emigration.



The following are the integrated results in % format for each of the research topics/questions:

- 73% of students had no career orientation during lower secondary education (grades 8, 9);
- 61% of students had no career orientation during high school (grades 10-12).
- 42% of students did not complete professional practice during university education.
- Students' knowledge regarding vocational education schools in their municipalities was 67%;
- Student had average knowledge (43%) about the role of the Employment Office and VTC in Peja.
- From respondents 60% have graduated from the social/natural sciences gymnasium and 40% vocational schools.



- The composition of the respondents' current fields of study is dominated with **78%** by the social sciences (35% education, 30% legal and 13% language and literature), **15% financial** (9% Accounting/Banking/Finance, 5.5% business administration) **7% natural Science** (5.5% medicine, 2% food technology).
- **27% of students** who have completed vocational schools pursue undergraduate studies in social sciences, eg. 2 out of 5 medical students pursue a non-medical profession.

This study orientation, compared to labor market demand, is a matter of analysis and action. Referring to a survey on rural youth unemployment (though generally indicative) made in 2018 by NGO "LENS", employment opportunities in sectors such as economics, administration, mathematics and computer science and law are much lower than orientation of young people in these areas.

Whereas at least two of the areas with the highest employment opportunities, according to that survey, the orientation of rural youth towards agriculture and construction is extremely low, which in economic terms is a lost employment opportunity.

Much more balanced is the market demand with the supply of youth in the tourism/hoteliery sector. In a meeting with students of "Haxhi Zeka" University, they were encouraged to be vigilant, to understand and follow labor market trends. The evaluation of these students for the foreseen measures was evaluated as optimal.

The results of the research on career counseling, internships and education are presented below:

- 84% of the students in the survey were not advised at the university career development office. Although they may be aware, a small number of students asked (33% në universitetin "Haxhi Zeka" and 16% in total) were advised at the university Career Center. So the visibility (recognition and presence) and capacities of this center need to be increased.
- 56% of the students hope that after finishing their studies they will find work in their municipality.
- 90% think that vocational education is a faster job opportunity, however they chose to pursue studies either while being not employed) or with a preference for advancement.
- In case they are not employed locally in their community, 80% of the students would look for job in another region or in Pristina.
- In case they don't find job in Kosovo, 72% of the students would look for job abroad.
- Respondents think that after completing their studies they will be prepared at the level of 74% for labor market requirements in Kosovo and at the level of 70% for market demands outside Kosovo.
- There is no data on the extent and quality of counseling in lower and upper secondary schools.

Only 40% of the students that took part in the survey have completed professional practice during their secondary education and (60%) at university. So the issue of lack of professional practice seems to be a problem in the future employment of these students, which is also mentioned in the reasons of unemployment due to professional practice and lack of general work experience.

Therefore, the issue of professional practice/internships at school and with business remains to be addressed by the stakeholders involved in the educational process through an expected contribution of the LPE.

Work experience is a matter that starts with career counseling on aspects of writing job application letters, CVs, effective communication, public presentations, interview preparation and other soft skills that increase employability potential alongside knowledge and professional technical experience.

Regarding the lack of work experience as an issue raised by students during the discussion, they were suggested to engage in volunteer work and non-governmental organizations in their field and others on and off campus, where through various activities they have the opportunity to build capacities and refer to them as experience in their early applications during or after the completion of studies, as with the increasing social responsibility of businesses in Kosovo and the region, such experience will be increasingly appreciated.

## V. POLICY OPSIONS and RECOMENDATIONS

The objective of this policy intervention is to correct the government's failure to create employment conditions and reduce the negative impacts of youth unemployment in Kosovo, in general, and locally - in the municipality and the city of Peja in particular. That issue is partly, but significantly, a result of the existing supply-demand mismatch in labor market. To achieve this objective, this policy document outlines two policy options: direct, contracted services, and subsidies. In order to achieve this objective, this policy document outlines two policy options: direct services, contracted services and subsidies.

Direct services consist in adaptation of educational programs and vocational training schools to fields of study and a set/number of skills needed in relation to labor market demand, through formal and non-formal education. Non-formal education can be organized by contracting through competitive grant schemes arranged with NGOs, businesses, etc.

The direct services option also includes cultivating entrepreneurship, as part of the formal education system, continuation of improving the business environment, promotion combined with attracting foreign direct investment.

### 5.1 Identify and draft options to address a problem

#### Option 1- status quo

Negative decision making - no action taken, "hands crossed", as a result of the status quo, the situation is expected to deteriorate from other independent internal and/or external factors of the state policy-making factor.

"Intrinsic" factor (internal) - are the possible actions/eventual inactions taken by the youth themselves, such as:

- to pursue emigration abroad in search of work, welfare or take advantage of the bigger opportunity for practice, specialization and employment in the host country in the short term, until the situation in the country of origin changes, or to decide on long-term settlement in the host country with the potential to contribute to the promotion and development of the country through research and publications, including policy suggestions, exchange of experience, networking, or in the sense of accumulating and disseminating scientific information on various social, economic, cultural, integration topics, etc., or;
- to invest in studies, practice or specialization in terms of time and money (using limited savings, loans or scholarships at home and abroad), including volunteering in professional associations etc. in the country, through which opportunities are created for capacity building for life and professional skills, including mobility and networking at home and abroad, work on small projects, etc. as a form of preparation and waiting until the most favorable employment and welfare conditions in the country are created.

"Extrinsic" factors (external) - are different activities and programs in the process or which can be developed by third parties, such as NGOs, businesses, donors, etc., that may have effect on employment growth regardless of and without policy making/state strategy. The intrinsic factor

of investing in time has been a determining factor in my advanced professional development/specialization, life skills, and increased employability, as an example from real life. On the other side, positive decision-making brings an effect on changing the current situation. Below are identified 3 possibilities in combination with relevant actions and expectations.

### **Option 2 – Harmonization of educational curricula and career (re)orientation in line with labor market demand**

Harmonization of educational curricula with labor market requirements according to the balanced "supply-demand" principle, informing young people about market demands through career guidance and counseling services in schools, employment centers, vocational education centers, and increasing the quality across all levels of the formal education chain, including vocational education and training (VET) and non-formal education using different forms of direct and indirect service delivery through community/youth centers and NGOs operating in related fields (education, employment, development, gender issues), with inclusion of youth from urban and remote rural areas, minorities and women, since the last ones constitute a higher proportion of the unemployed among youth.

According to a study made by UNDP in 2016, it is suggested that 6 economic sectors in Kosovo should meet ISO standards, as well as a range of closely professional competencies for each industry in consideration (food and meat processing, metal processing, wood processing, textile, tourism and IT) by including the adding of some curricula and in vocational education in particular, and it's also suggested to equip students/trainees, including aged people, also needed is professional development at work and necessary professional practices in enterprises that are equipped with cross-sectoral knowledge, including communication, planning and source allocation, communication, teamwork, basic math, some statistics, computers, knowledge of hygiene issues, occupational and environmental safety, foreign languages, acquaintance with new technology in process and expected to be applied in these sectors, etc.

One of the new programs suggested is in the textile sector as education program for tailors, which will include a larger number of workers, especially women and will also be linked to the attraction of foreign direct investment (FDI). In addition, it is requires (re)orientation and preparation through formal and informal education of the future workforce, suggested to be obtained through education, as well as rapid training and professional practice in enterprises with advanced processes and equipment, based on labor market demand at home and abroad, all these recommended in the UNDP study on employees' skills and needs, as an adjustment and precondition for structural change from massive economy of increased import towards increased production and exports, as suggested and assisted by various USAID programs.

Improving the business environment and attracting FDI is expected to increase youth employment.

### **Option 3 – Entrepreneurship cultivation and subsidizing “start-ups” (new businesses)**

Stimulating self-employment and employment in the private sector, in addition to the other options (2,3), through cultivation of entrepreneurial spirit and skills, providing financial advisory and symbolic financial stimulation, through subsidies, to materialize authentic, innovative and creative business ideas (start-ups) that focus on social and environmental aspects through direct

and indirect services - competitive outsourcing to service providers such as NGOs, businesses that have been more efficient at implementing than direct administration by being decentralized at the regional or local level, more creative, closer to beneficiaries and problems, and more sensitive to potential solutions.

In kind stimulation of existing start-ups and SMEs as rewards - prestige/credibility aspect in enhancing employment of qualified youth – both women and man, including people with disabilities who are capable to work, especially in areas that are challenged economically/backward with higher unemployment.

**Option 4 - Improving the business environment, attracting Foreign Direct Investment (FDI) and skilled labor mobility**

As a result of USAID's Business Environment Improvement Program (BEEP), many municipalities increased their service performance, and the gap between the backward and the more advanced ones has been greatly reduced. In the publication "Economic Growth", USAID estimates that Kosovo is creating a more favorable business environment thanks to their assistance, where in 2017 the country has improved by 30% in the World Bank ranking "Doing Business" (from 60 to 40), as well as from 13th to 10th place for "Start a new Business".

Among other measures, the focus was also on enhancing employment and workforce skills through different programs. However, the unemployment trend is not changing; poverty and development challenges are rising according to the same assessment.

According to a report of the Group for Legal and Political Studies (2017), besides the interest in extracting natural resources such as minerals, investing in energy, infrastructure, telecommunications, etc. that are profitable, the young workforce in Kosovo is quite attractive since the population at average is young.

It is well known that FDI is usually oriented towards countries rich in natural resources and sector activities that require a large labor force to reduce costs in the countries of origin, with favorable taxes, favourable laws and softer control, often taking advantage of the overall fragile institutional, economic, legal, political situation of underdeveloped/developing countries.

Therefore, Kosovo should materialize all the competitive advantages in defining an education curricula to ensure skilled and employable workforce for the current manufacturing and service enterprises in the country and increasing FDI, after scored a drastic dropping of 4 times from 2007 to 2009, 2012 and 2014, while employment has remained static despite the increase in municipal performance indicators (BEEP program), but accompanied by an increase in the corruption perception index for the period 2010-2014, as presented by the report on Kosovo's FDI potential.

Employment stakeholders should also consider the benefits of the option/need of skilled workforce mobility in relation to domestic and overseas market demands, in terms of competitive local/national and international advantages.

## 5.2 Evaluation of options

To evaluate the proposed options for reducing youth unemployment in Kosovo, 5 criteria are selected where sustainability matters most, after that costs, efficiency, beneficiary involvement, and the short-term impact of each policy are listed. Since at this stage the cost cannot be known in exact numbers, the indicators "+" = low, "++" = average, "+++" = high were used measurement unit of indicator criteria.

Options	Criterion 1 Sability	Criterion 2 Cost	Criterion 3 Efficacy	Criterion 4 Involve-ment	Criterion 5 Short-term impact
<b>Option 1</b> Status quo	+	+++	+	+++	+++
<b>Option 2</b> Harmonization of educational curricula and career (re)orientation in line with labor market demand	+++	++	+++	+++	+
<b>Option 3</b> Entrepreneurship cultivation and subsidizing "start-ups" (new businesses)	+++	++	++	++	++
<b>Option 4</b> Improving the business environment, attracting Foreign Direct Investment (FDI) and skilled labor mobility	++	++	++	+	+++

Based on the identification of the problem, the needs and the analysis of possible solutions, it is recommended that stakeholders focus on the realization of the above described options for reducing the unemployment in the Municipality of Prizren and the region (1), paying due attention, in a serious way, to the development of its organizational capacities (2).

### 1. Stakeholders' actions to reduce unemployment in Prizren Municipality

Based on the analysis of the options with 5 evaluation criteria, it is recommended to combine options with greater consistency in implementation, lower cost, higher efficiency, higher involvement of beneficiaries and short-term impact:

- The option about harmonization of educational curricula and career (re)orientation in line with labor market demand, including the UNDP recommendation on the analysis and skills shortage - workforce in six industries at national level in the Municipality/Region of Prizren, combined with
- the option of cultivating entrepreneurship in schools and other centers such as youth centers, NGOs, innovation/business centers/incubators etc., together with subsidizing start-ups that create employment/self-employment, working in parallel on
- the option of improving the business environment and attracting foreign direct investment (FDI), especially in manufacturing industries, through Public Private Partnerships and other forms, e.g. establishing industrial zones etc., but also including outsourced services to clients, and also
- to consider the mobility of skilled workforce in line with domestic and overseas market demands, in terms of local/national/international competitive advantages.

## **2. Establishment and development of human and organizational capacities**

As discussed in workshop analysis, LPE in the Municipality of Prizren shall follow the good practice of Peja and Gjakova LPE establishment and development, as a new inclusive and diverse body, should develop its capacities by building human and organizational capacities through training and exchange of experiences with Employment Partnerships in the Balkan region and EU, to focus on development of administrative capacities including personnel for the functioning of the LPE Secretariat, drafting the rules of procedure, ensure infrastructural capacities and work for financial sustainability in the long run, for promotion and research, planning, implementing, policymaking and advocacy capacities.

With having the capacities built and the necessary technical and financial support, stakeholder/future LPE should conduct needs research and adapt to labor market trends, through the preparation of a mid-term and long-term strategy for reducing unemployment.

In this way, developing the own capacity (including stakeholders), as well as providing knowledge and services to the beneficiaries – unemployed directly or indirectly make stakeholders/future LPE a reference point in the policy making and implementation of employment strategies and plans linked with it, e.g. education etc., willing to take coordinated action to meet the above options, but not limited to, in collaboration with stakeholders through projects that can be financed under the SEED program in short and long term (after the project is completed) of other local donations, including municipal funding, subsidies from business, Government, local and international donors.

## **5.3 Recommendations**

Presented below is a set of recommendations based on analysis presented in this document.

- **The employment stakeholders should work closely to establish, develop and efficient function of the Local Partnership for Employment in Prizren Municipality (LPE)** and build human, administrative, organizational and logistical capacities of this inclusive entity, with advisory mandate and mission focused on unemployment reduction, as per good practice of LEP in Peja and Gjakova established in 2017 and operationalized in mid-2018 from whom much can be learned and exchanges as well as from successful LPE development in Balkans and EU.
- To cultivate long-term loyal cooperation between future LPE members and other local/regional stakeholders in planning and implementation of the Strategy and the Plan on HR Development for Employment.
- Promotion of future LPE through initiation of cooperation, exchanges and regional projects in the country level between Peja, Gjakova and Prizren LPEs and cross-border/international projects with similar advising in the Balkan region or Europe.
- Identify and meet the needs and quality of employment services for all employment stakeholders through training, exchanges, assistance and performance appraisals.
- Promotion, development and use of good practices and services of career guidance in the Career Center and the Employment Office.
- Attract foreign direct investment and provide favorable enabling environment.

- Improve the quality of VET (Vocational Education and Training) programs according to labor market demand and equipping the labor force with basic and compulsory "soft skills" alongside other specific professional skills.
- Equip the labour with specific technical skills, as required by employers, and also standardizing and supplementing current VET curricula with missing profiles in city of Peja/Peja Region, according to the labor market.
- Promote lifelong education and learning, dual, informal and non-formal education.
- Create and develop new innovative forms and approaches for the development of employable human potentials.
- Engage in early talent identification, career counseling at all education stages.
- Continue and enhance promotional activities and networking, e.g. career orientation and employment fairs as ongoing or periodic successful activities.
- Identify the needs of large businesses for workforce skills - labor market research and dissemination of information among stakeholders and the general public.
- Integrate disadvantaged groups into career counseling services and the labor market (including women, people with disabilities, rural youth, minorities, aged people, etc.)
- Ensure inclusion in counseling and career orientation based on local/regional labor market.
- Stakeholders engage and facilitate social dialogue for human capacity development, including practical work and exchange of expertise to create a sustainable labor market.
- Promote and facilitate mobility in counseling, services and employment in Peja Region and abroad, according to the labor market.
- Offer capacity building for rural youth, women and other disadvantaged groups through technical and financial assistance for self-employment and social enterprises ideas - addressing social and environmental aspects beyond the profits and serve sustainable development in the region.
- Promote volunteerism and social responsibility, as well as advocating for the recognition of volunteer work as necessary work experience for early youth employment.
- Raise public awareness about the opportunities and importance of vocational education and training with the "STEAM" orientation (i.e. English, Science, Technology, Engineering, Arts and Mathematics), although an analysis of the labor market needs and skills in Kosovo (Alled III, October 2019) suggests entrepreneurship rather than arts (hence "STEEM"), for female and male candidates, considered as the fastest job opportunity in and out of the country with vocational/university education.

These recommendations have been translated into the measures and activities foreseen in the short-term Action Plan for 2020 and the long-term 2020-2025, elaborated below.

## V. ACTION PLAN

After a long and comprehensive consultation process with the participation of members of the Local Partnership for Employment of the Municipality of Peja (LPE) and students of the “Hazhi Zeka” University, as well as with representatives of local businesses, throughout the second half of 2018 till the fall of 2019, was drafted the “**Strategy fo Development of Employable Human Resources in Peja Region 2020 - 2025**” which set three objectives for impact on employment growth in Peja Municipality and region, including the towns of Istog and Klina, according to the organization of the Employment Agency – MLSW (Ministry of Labour and Social Welfare).

Although the Strategy has been drafted with inputs from the LPE in the city of Peja, it also includes those two smaller municipalities for which there isn't any employment strategy or action plan. Based on the analysis of the market situation and needs have been developed the long-term employability strategy 2020 - 2025 and the action plan for 2020.

**The Strategy objectives are:**

- **Development of human resources management system for employment;**
- **Development of a human resources for employment;**
- **Creating a stable and functional labour market.**

According to the analysis of the labor market situation and to good policy-making practices focused on three related areas such as employment, education and social inclusion, through applying of combined SWOT analysis methods with open discussions, refLPEtion and administration of questionnaires that produced primary data from LPE, students and businesses and also based on consulting secondary data such as statistics, research, various reports and sector strategies in the country and in European Union context, HROD consulting company, engaged by the NGO “Syri i Vizionit” under the project SEED II, was engaged to conceptualize, functionalize and develop the initial capacities of the LPE, as well as to facilitate the preparation of the Strategy and this Action Plan.

The **Action Plan 2020** contains **3 strategic objectives**, with **21 measures** and **37 activities** aimed at impacting on improving the high unemployment situation in the municipality and the region of Peja. The plan envisions short-term (that can be realized within 1 year) and long-term (2-5 years) activities that by nature require longer implementation time and/or resources, expertise and necessary inter-institutional arrangements.

### **Financing the Action Plan**

The cost for the implementation of the short-term plan will be calculated during implementation after the LPE identifies priority activities under this plan that can be financed on the basis of local and international grant applications through project proposals with detailed actions and costs for such activities. The Municipality of Peja is encouraged to allocate an annual budget for the implementation of the 1-year plan and to apply in partnership with the LPE for funding from the Government and donors in the country and the EU such as IPA cross-border funds, the ones for employment and social inclusion, etc.

### **Monitoring and follow-up**

Local Employment Council of the Municipality of Peja as the bearer of the Strategy and this Employment Action Plan in the Peja Municipality/region will monitor the implementation of the activities and measures envisaged in the plan and will evaluate them quarterly and at the end of period 1 based on the performance indicators set out in the plan for each activity/measure. LPE will review, evaluate and adjust actions during implementation, and evaluation at the end of 2020 will serve as the beginning of a new strategic planning cycle.

The following is the short-term Action Plan for 2020 containing the objectives, measures and activities adopted by the LPE, the overall LPE responsibilities, the success indicators and the realization time presented in a month/in 3 months (TM). The sequence of measures is random, not ranked.

It is expected that Prizren Municipal Assembly will be approving the Strategy and the Action Plan.

The Action Plan as a detailed logical framework is placed in Anex.

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**ANEX**

**ACTION PLAN 2020 for DEVELOPMENT of EMPLOYABLE HUMAN RESOURCES  
in PRIZREN REGION**